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**BALANCE OF PAYMENTS
AUSTRALIA
MARCH QUARTER 1990**

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MAIN FEATURES

Estimates of the main balance of payments aggregates for the March quarter 1990 and the preceding quarter are shown in the following table together with related data on exchange rates and the trade weighted index.

MAIN AGGREGATES, EXCHANGE RATES AND THE TRADE-WEIGHTED INDEX

	1989-90					
	Not seasonally adjusted			Seasonally adjusted		
	Dec qtr	Mar qtr	Per cent change (a)	Dec qtr	Mar qtr	Per cent change (a)
MAIN AGGREGATES (\$ million)						
Balance on current account	-5,062	-5,403	-7	-4,992	-5,892	-18
Balance on goods and services	-1,939	-1,757	+9	-1,794	-2,353	-31
Balance on merchandise trade	-1,015	-1,018	—	-750	-1,200	-60
Net services	-924	-739	+20	-1,044	-1,153	-10
Net income	-3,749	-4,175	-11	-3,789	-4,118	-9
Net unrequited transfers	626	529	-15	591	579	-2
Balance on capital account	3,622	5,263	..	..	..	..
Official	-477	2,319	..	..	..	..
Non-official	4,099	2,944	..	..	..	..
EXCHANGE RATES - UNITS OF FOREIGN CURRENCY PER \$A (b)						
United States dollar	.7811	.7659	-1.9	..	..	..
Special drawing right	.6089	.5821	-4.4	..	..	..
TRADE-WEIGHTED INDEX OF THE VALUE OF THE \$A (MAY 1970=100) (b)						
	60.5	59.5	-1.7	..	..	..

(a) For the current account, a minus sign means an increase in the deficit or a decrease in the surplus and a plus sign means a decrease in the deficit or an increase in the surplus. (b) Period averages.

March quarter 1990 compared with December quarter 1989 -

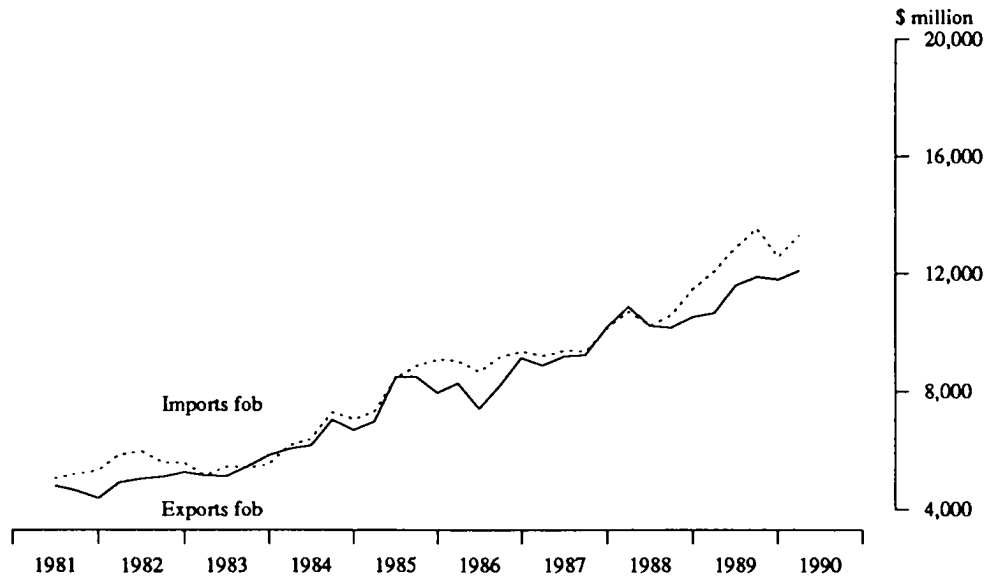
- **Goods and services (seasonally adjusted).** The deficit on goods and services increased by \$559 million. This was mainly due to the deficit on merchandise trade increasing by \$450 million, with a rise in exports of 3 per cent being more than offset by a rise in imports of 6 per cent. The growth in merchandise exports resulted mainly from an increased volume of mineral fuels exports. The major contributor to the rise in imports was the growth in imports of transport equipment. Both exogenous and endogenous imports contributed to the rise in import values. For further details, see "Notes on the estimates" on page 6.
- **Income and unrequited transfers (seasonally adjusted).** The net income deficit widened by \$329 million. Income credits fell by \$33 million and income debits increased by \$296 million. The unrequited transfers surplus fell slightly.
- **Official capital (not seasonally adjusted).** The turnaround to an inflow following the previous quarter's out-

flow resulted from an increase of \$935 million in the inflow on general government borrowing domiciled in Australia and turnarounds (from outflows to inflows) of \$909 million and \$1,246 million in general government lending and official reserve assets respectively. These changes were partly offset by an increase of \$300 million in the outflow on general government borrowing domiciled abroad.

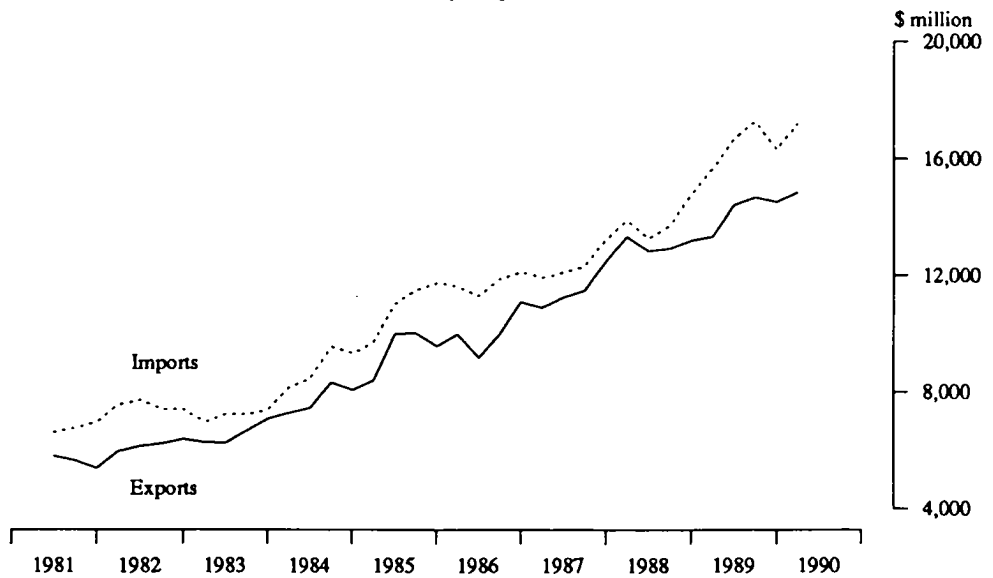
- **Non-official capital (not seasonally adjusted).** The fall in the net inflow was due to an increase of \$2,447 million in the net outflow on account of Australian investment abroad, which more than offset an increase of \$1,292 million in the net inflow on account of foreign investment in Australia. The increased outflow on Australian investment abroad was the result of a turnaround (from a net inflow to a net outflow) of \$3,591 million in Australian direct investment abroad. The increased inflow on foreign investment in Australia was due to an increase of \$1,387 million in the net inflow attributable to portfolio and other investment.

GRAPHS OF PRINCIPAL BALANCE OF PAYMENTS AGGREGATES

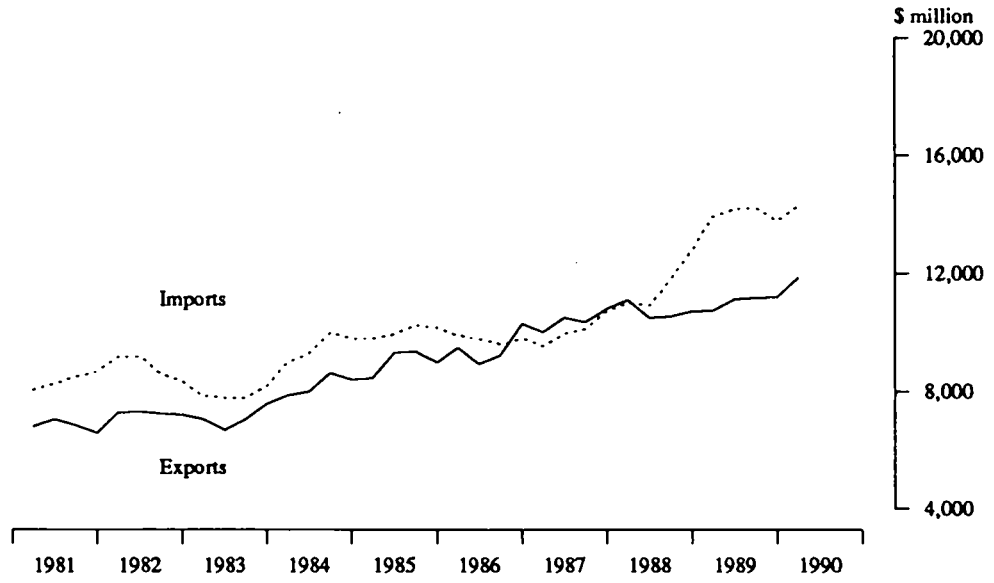
**Graph 1. Merchandise -
seasonally adjusted**



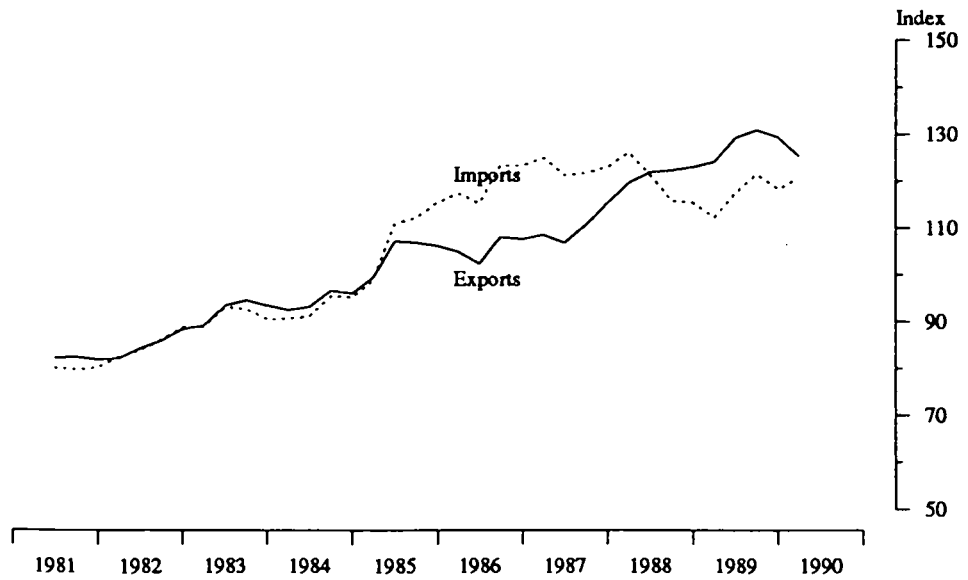
**Graph 2. Goods and services at current prices -
seasonally adjusted**



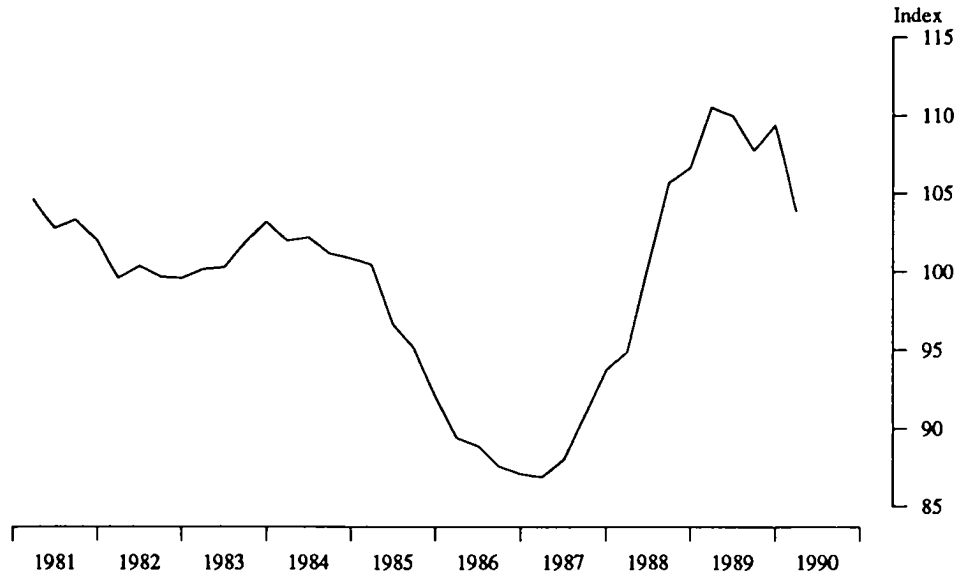
Graph 3. Goods and services at average 1984-85 prices - seasonally adjusted



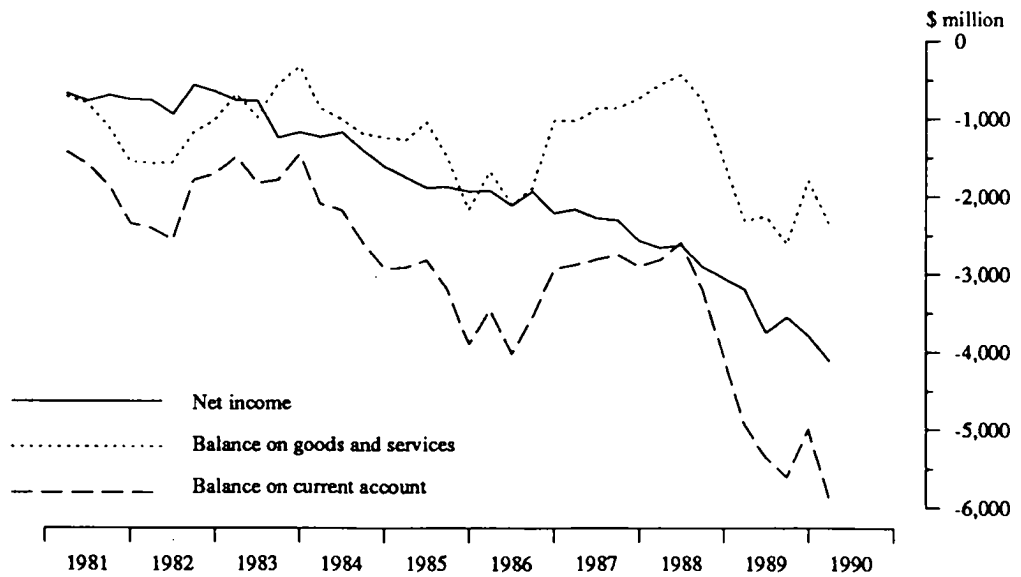
Graph 4. Implicit price deflators for goods and services - based on seasonally adjusted data (1984-85=100)



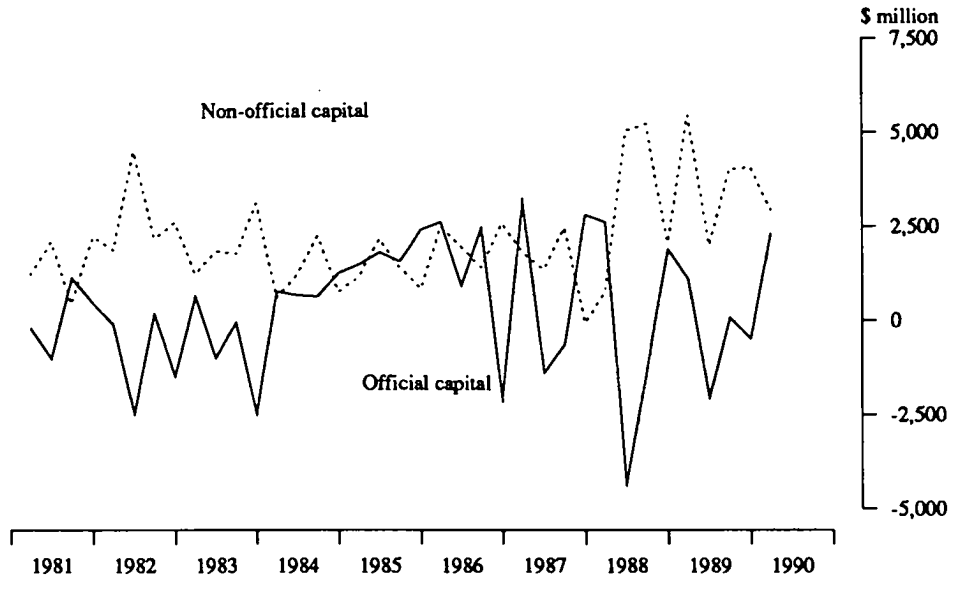
**Graph 5. Terms of trade for goods and services
- based on seasonally adjusted data (1984-85=100)**



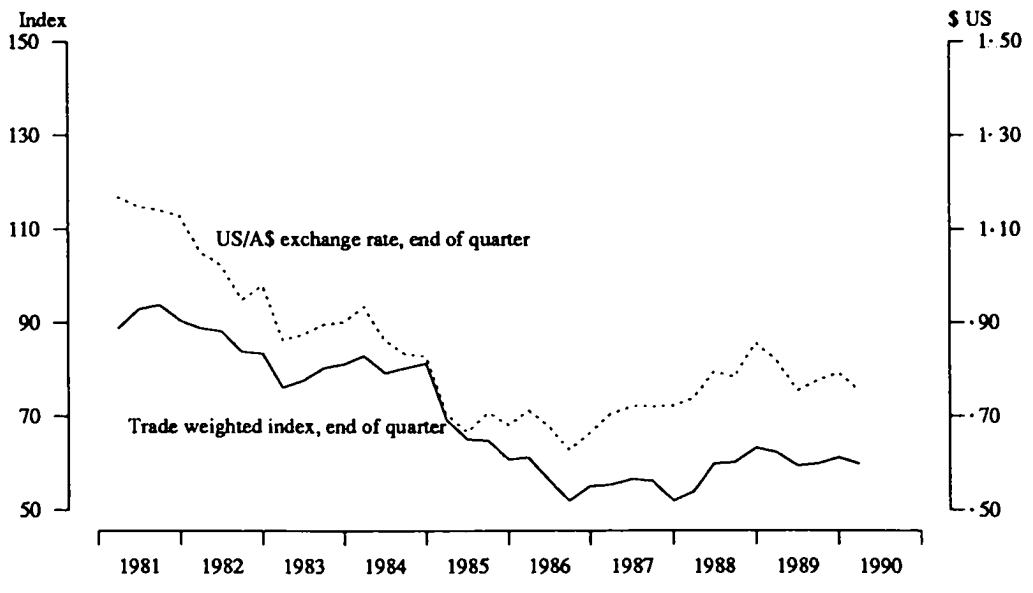
**Graph 6. Current account major aggregates
- seasonally adjusted**



Graph 7. Net capital transactions



Graph 8. Trade weighted index (May 1970=100) and US/A\$ exchange rate



NOTES ON THE ESTIMATES

GOODS AND SERVICES

The following table shows, for the last eight quarters, the changes in exports and imports of goods and services, seasonally adjusted, at current and constant prices, and corresponding implicit price deflators, fixed-weighted price indexes, and terms of trade measures.

PERCENTAGE CHANGES IN EXPORTS AND IMPORTS OF GOODS AND SERVICES AND TERMS OF TRADE

	1987-88		1988-89			1989-90		
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar
AT CURRENT PRICES, SEASONALLY ADJUSTED								
Exports of goods and services	-3.8	0.8	2.2	1.0	8.1	1.7	-1.0	2.6
Merchandise exports	-5.9	-0.8	3.7	1.3	8.9	2.3	-0.7	2.5
Services credits	5.7	7.1	-3.4	-0.1	4.7	-1.0	-2.3	3.0
Imports of goods and services	-4.5	3.2	7.7	6.1	6.5	3.6	-5.6	5.8
Merchandise imports	-4.5	3.6	8.3	5.1	6.8	5.0	-7.2	6.0
Services debits	-4.5	1.9	5.6	9.6	5.6	-1.0	0.1	5.0
AT CONSTANT (AVERAGE 1984-85) PRICES, SEASONALLY ADJUSTED								
Exports of goods and services	-5.5	0.4	1.6	0.1	3.8	0.4	0.2	5.7
Merchandise exports	-7.5	-0.9	2.6	-	4.4	1.3	0.8	6.2
Services credits	4.1	6.2	-2.6	0.4	1.1	-3.4	-2.6	3.1
Imports of goods and services	-0.8	8.2	8.1	9.0	1.8	0.3	-3.2	3.5
Merchandise imports	-0.7	7.9	9.1	8.7	2.3	0.4	-3.7	4.0
Services debits	-0.9	9.3	4.9	10.2	-0.3	-0.2	-1.2	1.7
IMPLICIT PRICE DEFLATORS (a)								
Exports of goods and services	1.8	0.3	0.6	0.9	4.2	1.2	-1.1	-2.9
Merchandise exports	1.7	0.2	1.0	1.3	4.3	1.0	-1.5	-3.4
Services credits	1.5	0.9	-0.8	-0.5	3.6	2.5	0.3	-0.1
Imports of goods and services	-3.8	-4.6	-0.3	-2.7	4.7	3.3	-2.6	2.2
Merchandise imports	-3.8	-4.0	-0.6	-3.3	4.3	4.6	-3.6	1.9
Services debits	-3.6	-6.7	0.7	-0.6	5.9	-0.8	1.2	3.3
TERMS OF TRADE (b)								
Goods and services	5.9	5.2	0.9	3.7	-0.5	-2.0	1.5	-4.9
Merchandise trade	5.7	4.4	1.6	4.8	-0.1	-3.4	2.2	-5.3
Services	5.3	8.2	-1.5	0.1	-2.2	3.3	-0.9	-3.2
FIXED-WEIGHTED INDEXES (c)								
Exports of goods and services	1.7	0.8	-0.2	2.7	4.9	1.6	-1.1	-0.5
Merchandise exports	1.8	1.1	-0.4	3.0	5.4	1.5	-1.7	-0.9
Services credits	0.9	-0.8	1.0	1.5	2.0	1.8	1.9	1.3
Imports of goods and services	-2.6	-4.9	-0.4	-2.1	5.3	2.4	-1.0	0.8
Merchandise imports	-2.1	-4.6	-0.7	-2.3	4.8	3.2	-2.3	0.9
Services debits	-4.2	-6.1	0.8	-1.7	7.0	-0.3	3.2	0.6

(a) The implicit price deflators are derived by dividing seasonally adjusted current price estimates by the corresponding seasonally adjusted constant price estimates (base year 1984-85=100). (b) The terms of trade are derived by dividing the implicit price deflators for exports (of merchandise and services) by the implicit price deflators for imports (of merchandise and services). (c) The fixed-weighted indexes are derived by combining individual component prices (base year 1984-85=100) with a weighting to reflect the relative importance of the components in the base year. For further details see "Changes in this issue" on page 8.

March quarter 1990 compared with December quarter 1989, seasonally adjusted ("*Volume*" refers to values at average 1984-85 prices and "*price*" refers to implicit price deflators) -

Exports of merchandise at current prices rose \$299 million. Rural exports fell \$50 million, despite a 1 per cent increase in volume. Wool exports fell by \$277 million, while cereals recorded an increase of \$194 million. Non-rural exports rose \$349 million, reflecting an 8 per cent increase in volume. Partly offsetting this increased

volume was a 4 per cent fall in price. Mineral fuels increased by \$528 million, reflecting significant increases in both coal and other mineral fuels.

Services credits at current prices rose \$80 million reflecting a 3 per cent rise in volume.

The *implicit price deflator* for total exports of goods and services fell 2.9 per cent. On a fixed-weight basis the overall IPD fell 0.5 per cent, while compositional shifts accounted for a decrease of 2.4 per cent.

Imports of merchandise at current prices increased by \$749 million. Exogenous imports rose \$137 million due mainly to increased civil aircraft imports. Endogenous imports rose \$612 million, due mainly to increases in imports of machinery and transport equipment. The overall volume of endogenous imports rose 5 per cent. Prices were virtually unchanged.

The volume movements in the components of endogenous imports were: consumption goods, up 3 per cent; capital goods, down 4 per cent; and other goods, up 13 per cent.

Services debits rose \$189 million as a result of a 2 per cent increase in volume and a 3 per cent increase in price.

The *implicit price deflator* for total imports of goods and services rose 2.2 per cent. On a fixed-weight basis the overall IPD increased by 0.8 per cent, while compositional shifts implied a 1.4 per cent increase.

Australia's *terms of trade* fell by 4.9 per cent reflecting both the fall in the exports IPD and the increase in the imports IPD.

It should be noted that at the time of compilation of the statistics in this publication the available information on the prices of internationally traded goods for the latest quarter is preliminary in nature and therefore subject to revision.

EXOGENOUS IMPORTS

For purposes of analysing movements in merchandise imports, the categories exogenous and endogenous imports are shown in various tables in this publication. Statistics on the main components of exogenous imports at current

prices are shown in the following table so that the impact of identified and sizeable lumpy transactions upon total merchandise imports and other key aggregates can be more readily assessed.

EXOGENOUS MERCHANDISE IMPORTS (NOT SEASONALLY ADJUSTED)
(\$ million)

Period	Fuels (a)	Civil Aircraft (b)	Other (c)	Total	Per cent of total merchandise imports
1986-87	1,751	1,058	1,650	4,459	12.0
1987-88	2,036	189	1,604	3,829	9.5
1988-89	2,014	837	1,356	4,207	8.9
1987-88 -					
December qtr	613	36	416	1065	10.3
March qtr	494	63	401	958	9.4
June qtr	517	—	350	867	8.6
1988-89 -					
September qtr	411	82	306	799	7.3
December qtr	295	471	373	1,139	9.6
March qtr	561	149	284	994	8.6
June qtr	747	135	393	1,275	10.0
1989-90 -					
September qtr	633	489	255	1,377	9.9
December qtr	698	173	243	1,114	8.6
March qtr	600	373	298	1,271	10.0

(a) SITC Section 3. (b) Acquisition of aircraft by selected major airline companies. (c) Acquisition of associated aircraft equipment (eg spare engines etc), defence equipment and ships by selected public sector enterprises and certain other government goods.

REVISIONS

Estimates in this issue are consistent with those published on 28 May in the April 1990 monthly balance of payments publication (5301.0). They incorporate the revisions that were described in that issue.

Revisions to seasonal factors

Following significant revisions to investment income debits in the January 1990 issue of the monthly balance of payments publication, a seasonal reanalysis of this series has been carried out. Revised seasonally adjusted investment income estimates in this issue therefore reflect both revised original data and significantly revised seasonal adjustment factors.

CHANGES IN THIS ISSUE

Fixed-weighted price indexes

Fixed-weighted price indexes for merchandise exports and imports, and for exports and imports of services are presented in Table 6. Percentage changes in these indexes are shown in Notes on the Estimates on page 6.

There are two common types of price index: fixed-weighted and current-weighted. Most price indexes published by the ABS are fixed-weighted. They generally relate to a fixed basket of goods and/or services, and are formed by combining the prices of their individual components using weights that reflect their relative importance in a chosen base period. Changes in the value of a fixed-weighted price index reflect only a change in price.

The weights used in a current-weighted price index change each period, reflecting the changing relative importance of the components. Changes in the value of a current-weighted price index from one period to another can be due to a change in price and/or a change in composition.

Implicit price deflators (IPDs) have the form of a current-weighted price index, and consequently are affected by

changes in both the prices of underlying components and the relative weighting reflecting changes in composition of those components. As a result, the usefulness of an IPD as an indicator of price change is limited.

Fixed-weighted indexes are not subject to the impact of changes in the weighting of underlying components, and can therefore be used as indicators of price change. By deducting the percentage points change in a fixed-weighted index from the percentage points change in its corresponding IPD, an approximation of the change in the IPD caused by compositional change can be obtained. This approximation will be deficient, however, either if the price and/or compositional changes are particularly large, or if the weights used in the fixed-weighted index differ markedly from current weighting patterns.

The fixed-weighted indexes for merchandise imports and exports differ from the Exports Price Index and the Imports Price Index published by the ABS, due to conceptual and compilation differences. Further details of these differences, and more information on fixed-weighted indexes, can be obtained from *Australian National Accounts: Concepts, Sources and Methods* (5216.0).

TABLE 1. BALANCE OF PAYMENTS

(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Current transactions -													
<i>Goods and services -</i>													
<i>Merchandise (a) -</i>													
Exports fob	35,423	40,541	43,047	10,305	10,646	10,462	10,056	10,669	10,424	11,898	11,859	11,944	11,673
Imports fob	-37,159	-40,386	-47,032	-10,361	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691
<i>Balance on merchandise trade</i>	<i>-1,736</i>	<i>155</i>	<i>-3,985</i>	<i>-56</i>	<i>424</i>	<i>393</i>	<i>-908</i>	<i>-1,191</i>	<i>-1,087</i>	<i>-799</i>	<i>-2,038</i>	<i>-1,015</i>	<i>-1,018</i>
<i>Services -</i>													
Credits	7,725	9,518	10,856	2,392	2,640	2,384	2,583	2,779	2,907	2,587	2,604	2,774	3,067
Debits	-10,858	-12,256	-13,673	-3,047	-3,096	-3,015	-3,219	-3,227	-3,478	-3,749	-3,913	-3,698	-3,806
<i>Net services</i>	<i>-3,133</i>	<i>-2,738</i>	<i>-2,817</i>	<i>-655</i>	<i>-456</i>	<i>-631</i>	<i>-636</i>	<i>-448</i>	<i>-571</i>	<i>-1,162</i>	<i>-1,309</i>	<i>-924</i>	<i>-739</i>
<i>Balance on goods and services</i>	<i>-4,869</i>	<i>-2,583</i>	<i>-6,802</i>	<i>-711</i>	<i>-32</i>	<i>-238</i>	<i>-1,544</i>	<i>-1,639</i>	<i>-1,658</i>	<i>-1,961</i>	<i>-3,347</i>	<i>-1,939</i>	<i>-1,757</i>
<i>Income -</i>													
Credits	3,034	3,944	4,286	1,021	951	978	1,008	990	1,132	1,156	1,383	1,419	1,397
Debits	-11,584	-14,082	-17,189	-3,611	-3,709	-3,527	-3,850	-4,034	-4,475	-4,830	-4,778	-5,168	-5,572
<i>Net income</i>	<i>-8,550</i>	<i>-10,138</i>	<i>-12,903</i>	<i>-2,590</i>	<i>-2,758</i>	<i>-2,549</i>	<i>-2,842</i>	<i>-3,044</i>	<i>-3,343</i>	<i>-3,674</i>	<i>-3,395</i>	<i>-3,749</i>	<i>-4,175</i>
<i>Unrequited transfers -</i>													
Credits	3,017	3,545	4,210	881	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191
Debits	-1,804	-1,881	-2,001	-452	-538	-526	-411	-469	-558	-563	-449	-485	-662
<i>Net unrequited transfers</i>	<i>1,213</i>	<i>1,664</i>	<i>2,209</i>	<i>429</i>	<i>364</i>	<i>424</i>	<i>519</i>	<i>561</i>	<i>537</i>	<i>592</i>	<i>647</i>	<i>626</i>	<i>529</i>
Balance on current account	-12,206	-11,057	-17,496	-2,872	-2,426	-2,363	-3,867	-4,122	-4,464	-5,043	-6,095	-5,062	-5,403
Net capital transactions -													
<i>Official -</i>													
<i>General government -</i>													
Foreign investment in Australia	6,134	4,016	859	-758	3,845	-134	-172	2,151	967	-2,087	626	402	1,012
Australian investment abroad	-573	415	-359	23	-141	366	-386	96	-80	11	136	-449	489
<i>Total</i>	<i>5,561</i>	<i>4,431</i>	<i>500</i>	<i>-735</i>	<i>3,704</i>	<i>232</i>	<i>-558</i>	<i>2,247</i>	<i>887</i>	<i>-2,076</i>	<i>762</i>	<i>-47</i>	<i>1,501</i>
<i>Reserve bank -</i>													
Foreign investment in Australia	18	-8	—	-11	1	3	-36	64	-18	-10	—	-6	-4
Australian investment abroad	-3,394	-3,924	-873	3,580	-1,077	-4,571	-758	-410	250	45	-672	-424	822
<i>Total</i>	<i>-3,376</i>	<i>-3,932</i>	<i>-873</i>	<i>3,569</i>	<i>-1,076</i>	<i>-4,568</i>	<i>-794</i>	<i>-346</i>	<i>232</i>	<i>35</i>	<i>-672</i>	<i>-430</i>	<i>818</i>
<i>Total official</i>	<i>2,185</i>	<i>499</i>	<i>-373</i>	<i>2,834</i>	<i>2,628</i>	<i>-4,336</i>	<i>-1,352</i>	<i>1,901</i>	<i>1,119</i>	<i>-2,041</i>	<i>90</i>	<i>-477</i>	<i>2,319</i>
<i>Non-official -</i>													
Foreign investment in Australia	15,945	21,041	25,654	5,428	1,945	7,890	7,477	3,901	8,558	5,718	5,645	5,199	6,491
Australian investment abroad	-8,695	-12,716	-10,826	-5,465	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,592	-1,100	-3,547
<i>Total non-official</i>	<i>7,250</i>	<i>8,325</i>	<i>14,828</i>	<i>-37</i>	<i>802</i>	<i>5,064</i>	<i>5,253</i>	<i>2,087</i>	<i>5,474</i>	<i>2,014</i>	<i>4,053</i>	<i>4,099</i>	<i>2,944</i>
Balance on capital account	9,435	8,824	14,455	2,797	3,430	728	3,901	3,988	6,593	-27	4,143	3,622	5,263
<i>Balancing item</i>	<i>2,771</i>	<i>2,233</i>	<i>3,041</i>	<i>75</i>	<i>-1,004</i>	<i>1,635</i>	<i>-34</i>	<i>134</i>	<i>-2,129</i>	<i>5,070</i>	<i>1,952</i>	<i>1,440</i>	<i>140</i>

(a) Balance of payments basis.

TABLE 2. BALANCE OF PAYMENTS - CURRENT ACCOUNT
(\$ million)

	Year			Quarters ended										
	1986-87	1987-88	1988-89	1987-88				1988-89				1989-90		
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	
Current transactions -														
<i>Goods and services -</i>														
<i>Merchandise (a) -</i>														
Exports fob	35,423	40,541	43,047	10,305	10,646	10,462	10,056	10,669	10,424	11,898	11,859	11,944	11,673	
Imports fob	-37,159	-40,386	-47,032	-10,361	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691	
<i>Balance on merchandise trade</i>	<i>-1,736</i>	<i>155</i>	<i>-3,985</i>	<i>-56</i>	<i>424</i>	<i>393</i>	<i>-908</i>	<i>-1,191</i>	<i>-1,087</i>	<i>-799</i>	<i>-2,038</i>	<i>-1,015</i>	<i>-1,018</i>	
<i>Services -</i>														
<i>Credits -</i>														
Shipment	462	537	554	138	137	130	130	134	143	147	136	138	141	
Other transportation	2,765	3,142	3,232	794	853	788	791	838	824	779	807	795	831	
Travel	2,546	3,565	4,440	905	1,085	880	1,053	1,204	1,277	906	973	1,151	1,392	
Other services	1,952	2,274	2,630	555	565	586	609	603	663	755	688	690	703	
<i>Total services credits</i>	<i>7,725</i>	<i>9,518</i>	<i>10,856</i>	<i>2,392</i>	<i>2,640</i>	<i>2,384</i>	<i>2,583</i>	<i>2,779</i>	<i>2,907</i>	<i>2,587</i>	<i>2,604</i>	<i>2,774</i>	<i>3,067</i>	
<i>Debits -</i>														
Shipment	-2,756	-2,856	-3,176	-755	-723	-687	-736	-760	-808	-872	-870	-849	-801	
Other transportation	-2,114	-2,510	-2,917	-610	-649	-632	-660	-709	-740	-808	-838	-854	-876	
Travel	-3,108	-3,712	-4,238	-912	-873	-891	-1,019	-927	-1,042	-1,250	-1,349	-1,105	-1,262	
Other services	-2,880	-3,178	-3,342	-770	-851	-805	-804	-831	-888	-819	-856	-890	-867	
<i>Total services debits</i>	<i>-10,858</i>	<i>-12,256</i>	<i>-13,673</i>	<i>-3,047</i>	<i>-3,096</i>	<i>-3,015</i>	<i>-3,219</i>	<i>-3,227</i>	<i>-3,478</i>	<i>-3,749</i>	<i>-3,913</i>	<i>-3,698</i>	<i>-3,806</i>	
<i>Net services</i>	<i>-3,133</i>	<i>-2,738</i>	<i>-2,817</i>	<i>-655</i>	<i>-456</i>	<i>-631</i>	<i>-636</i>	<i>-448</i>	<i>-571</i>	<i>-1,162</i>	<i>-1,309</i>	<i>-924</i>	<i>-739</i>	
<i>Balance on goods and services</i>	<i>-4,869</i>	<i>-2,583</i>	<i>-6,802</i>	<i>-711</i>	<i>-32</i>	<i>-238</i>	<i>-1,544</i>	<i>-1,639</i>	<i>-1,658</i>	<i>-1,961</i>	<i>-3,347</i>	<i>-1,939</i>	<i>-1,757</i>	
<i>Income -</i>														
<i>Credits -</i>														
<i>Property income -</i>														
Reinvested earnings	1,178	2,162	2,123	540	540	541	531	530	531	531	675	675	675	
Other	1,691	1,606	1,973	438	370	394	429	414	553	577	653	691	669	
Labour and other income	165	176	190	43	41	43	48	46	48	48	55	53	53	
<i>Total income credits</i>	<i>3,034</i>	<i>3,944</i>	<i>4,286</i>	<i>1,021</i>	<i>951</i>	<i>978</i>	<i>1,008</i>	<i>990</i>	<i>1,132</i>	<i>1,156</i>	<i>1,383</i>	<i>1,419</i>	<i>1,397</i>	
<i>Debits -</i>														
<i>Property income -</i>														
Reinvested earnings	-1,244	-2,417	-2,225	-604	-604	-605	-556	-556	-556	-557	-672	-672	-672	
Other	-10,161	-11,455	-14,745	-2,953	-3,048	-2,870	-3,236	-3,419	-3,865	-4,225	-4,053	-4,439	-4,840	
Labour and other income	-179	-210	-219	-54	-57	-52	-58	-59	-54	-48	-53	-57	-60	
<i>Total income debits</i>	<i>-11,584</i>	<i>-14,082</i>	<i>-17,189</i>	<i>-3,611</i>	<i>-3,709</i>	<i>-3,527</i>	<i>-3,850</i>	<i>-4,034</i>	<i>-4,475</i>	<i>-4,830</i>	<i>-4,778</i>	<i>-5,168</i>	<i>-5,572</i>	
<i>Net income</i>	<i>-8,550</i>	<i>-10,138</i>	<i>-12,903</i>	<i>-2,590</i>	<i>-2,758</i>	<i>-2,549</i>	<i>-2,842</i>	<i>-3,044</i>	<i>-3,343</i>	<i>-3,674</i>	<i>-3,395</i>	<i>-3,749</i>	<i>-4,175</i>	
<i>Unrequited transfers -</i>														
<i>Credits</i>	3,017	3,545	4,210	881	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191	
<i>Debits</i>	-1,804	-1,881	-2,001	-452	-538	-526	-411	-469	-558	-563	-449	-485	-662	
<i>Net unrequited transfers</i>	<i>1,213</i>	<i>1,664</i>	<i>2,209</i>	<i>429</i>	<i>364</i>	<i>424</i>	<i>519</i>	<i>561</i>	<i>537</i>	<i>592</i>	<i>647</i>	<i>626</i>	<i>529</i>	
Balance on current account	-12,206	-11,057	-17,496	-2,872	-2,426	-2,363	-3,867	-4,122	-4,464	-5,043	-6,095	-5,062	-5,403	

(a) Balance of payments basis.

TABLE 3. BALANCE OF PAYMENTS - CURRENT ACCOUNT - SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88			1988-89			1989-90			
	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Current transactions -										
<i>Goods and services -</i>										
<i>Merchandise (a) -</i>										
Exports fob	10,197	10,888	10,243	10,164	10,539	10,676	11,631	11,902	11,815	12,114
Imports fob	-10,142	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314
<i>Balance on merchandise trade</i>	55	174	14	-435	-944	-1,397	-1,265	-1,636	-750	-1,200
<i>Services -</i>										
<i>Credits -</i>										
Shipment	138	137	130	130	134	143	147	136	138	141
Other transportation	760	806	836	832	804	783	822	842	767	792
Travel	826	919	1,053	1,195	1,106	1,059	1,101	1,096	1,076	1,127
Other services	575	578	560	604	624	679	719	688	718	719
<i>Total services credits</i>	2,299	2,440	2,579	2,761	2,668	2,664	2,789	2,762	2,699	2,779
<i>Debits -</i>										
Shipment	-737	-752	-703	-712	-740	-838	-894	-843	-826	-829
Other transportation	-619	-669	-628	-636	-716	-767	-802	-805	-861	-920
Travel	-946	-927	-907	-915	-962	-1,107	-1,273	-1,213	-1,146	-1,341
Other services	-786	-825	-793	-827	-845	-864	-809	-880	-910	-842
<i>Total services debits</i>	-3,088	-3,173	-3,031	-3,090	-3,263	-3,576	-3,778	-3,741	-3,743	-3,932
<i>Net services</i>	-789	-733	-452	-329	-595	-912	-989	-979	-1,044	-1,153
<i>Balance on goods and services</i>	-734	-559	-438	-764	-1,539	-2,309	-2,254	-2,615	-1,794	-2,353
<i>Income -</i>										
<i>Credits -</i>										
Property income -										
Reinvested earnings	540	540	541	531	530	531	531	675	675	675
Other	448	374	375	445	414	559	566	667	722	686
Labour and other income	43	43	45	44	46	51	50	50	53	56
<i>Total income credits</i>	1,031	957	961	1,020	990	1,141	1,147	1,392	1,450	1,417
<i>Debits -</i>										
Property income -										
Reinvested earnings	-604	-604	-605	-556	-556	-556	-557	-672	-672	-672
Other	-2,949	-2,962	-2,926	-3,307	-3,430	-3,735	-4,293	-4,225	-4,513	-4,806
Labour and other income	-51	-55	-57	-60	-55	-51	-53	-54	-54	-57
<i>Total income debits</i>	-3,604	-3,621	-3,588	-3,923	-4,041	-4,342	-4,903	-4,951	-5,239	-5,535
<i>Net income</i>	-2,573	-2,664	-2,627	-2,903	-3,051	-3,201	-3,756	-3,559	-3,789	-4,118
<i>Unrequited transfers -</i>										
Credits	861	897	943	963	1,007	1,085	1,154	1,133	1,087	1,178
Debits	-461	-490	-477	-496	-481	-512	-507	-570	-496	-599
<i>Net unrequited transfers</i>	400	407	466	467	526	573	647	563	591	579
Balance on current account	-2,907	-2,816	-2,599	-3,200	-4,064	-4,937	-5,363	-5,611	-4,992	-5,892

(a) Balance of payments basis.

TABLE 4. BALANCE OF PAYMENTS - CAPITAL ACCOUNT
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Net capital transactions -													
<i>Official -</i>													
<i>General government -</i>													
<i>Foreign investment in Australia -</i>													
Borrowing	6,146	4,087	1,047	-743	3,872	-106	-160	2,170	991	-1,954	626	404	1,039
Other	-12	-71	-188	-15	-27	-28	-12	-19	-24	-133	—	-2	-27
Total	6,134	4,016	859	-758	3,845	-134	-172	2,151	967	-2,087	626	402	1,012
<i>Australian investment abroad</i>	-573	415	-359	23	-141	366	-386	96	-80	11	136	-449	489
Total general government	5,561	4,431	500	-735	3,704	232	-558	2,247	887	-2,076	762	-47	1,501
<i>Reserve Bank -</i>													
<i>Foreign investment in Australia</i>	18	-8	—	-11	1	3	-36	64	-18	-10	—	-6	-4
<i>Australian investment abroad -</i>													
Reserve assets	-3,394	-3,924	-873	3,580	-1,077	-4,571	-758	-410	250	45	-672	-424	822
Other	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	-3,394	-3,924	-873	3,580	-1,077	-4,571	-758	-410	250	45	-672	-424	822
Total Reserve Bank	-3,376	-3,932	-873	3,569	-1,076	-4,568	-794	-346	232	35	-672	-430	818
Total official	2,185	499	-373	2,834	2,628	-4,336	-1,352	1,901	1,119	-2,041	90	-477	2,319
<i>Non official -</i>													
<i>Foreign investment in Australia-</i>													
Direct investment -													
Reinvestment of earnings	1,244	2,417	2,225	604	604	604	557	556	556	556	672	672	672
Other	3,510	4,582	8,358	721	323	2,027	2,870	1,652	1,637	2,199	1,313	1,727	1,632
Portfolio & other investment	11,191	14,042	15,071	4,103	1,018	5,259	4,050	1,693	6,365	2,963	3,660	2,800	4,187
Total foreign investment in Australia	15,945	21,041	25,654	5,428	1,945	7,890	7,477	3,901	8,558	5,718	5,645	5,199	6,491
<i>Australian investment abroad -</i>													
Direct investment -													
Reinvestment of earnings	-1,178	-2,162	-2,123	-541	-540	-541	-531	-530	-531	-531	-675	-675	-675
Other	-3,353	-8,612	-4,428	-4,130	-1,309	-1,699	-844	-1,335	-938	-1,311	-1,163	881	-2,710
Portfolio & other investment	-4,164	-1,942	-4,275	-794	706	-586	-849	51	-1,615	-1,862	246	-1,306	-162
Total Australian investment abroad	-8,695	-12,716	-10,826	-5,465	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,592	-1,100	-3,547
Total non-official	7,250	8,325	14,828	-37	802	5,064	5,253	2,087	5,474	2,014	4,053	4,099	2,944
Balance on capital account	9,435	8,824	14,455	2,797	3,430	728	3,901	3,988	6,593	-27	4,143	3,622	5,263

TABLE 5. BALANCE OF PAYMENTS - EXPORTS AND IMPORTS OF GOODS AND SERVICES AT CURRENT AND AVERAGE 1984-85 PRICES - ORIGINAL AND SEASONALLY ADJUSTED
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
At current prices													
Merchandise exports fob	35,423	40,541	43,047	10,305	10,646	10,462	10,056	10,669	10,424	11,898	11,859	11,944	11,673
Services, credits	7,725	9,518	10,856	2,392	2,640	2,384	2,583	2,779	2,907	2,587	2,604	2,774	3,067
Total exports of goods and services	43,148	50,059	53,903	12,697	13,286	12,846	12,639	13,448	13,331	14,485	14,463	14,718	14,740
Merchandise imports fob	-37,159	-40,386	-47,032	-10,361	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691
Services, debits	-10,858	-12,256	-13,673	-3,047	-3,096	-3,015	-3,219	-3,227	-3,478	-3,749	-3,913	-3,698	-3,806
Total imports of goods and services	-48,017	-52,642	-60,705	-13,408	-13,318	-13,084	-14,183	-15,087	-14,989	-16,446	-17,810	-16,657	-16,497
At average 1984-85 prices													
Merchandise exports fob	33,512	35,096	34,782	9,063	8,899	8,645	8,423	8,777	8,370	9,212	9,152	9,363	9,449
Services, credits	6,536	7,617	8,425	1,931	2,079	1,879	2,036	2,153	2,247	1,989	1,956	2,037	2,203
Total exports of goods and services	40,048	42,713	43,207	10,994	10,978	10,524	10,459	10,930	10,617	11,201	11,108	11,400	11,652
Merchandise imports fob	-30,278	-33,137	-41,299	-8,502	-8,214	-8,419	-9,487	-10,346	-10,433	-11,033	-11,475	-11,108	-10,716
Services, debits	-8,659	-9,647	-11,439	-2,359	-2,373	-2,408	-2,721	-2,721	-2,965	-3,032	-3,140	-2,947	-2,953
Total imports of goods and services	-38,937	-42,784	-52,738	-10,861	-10,587	-10,827	-12,208	-13,067	-13,398	-14,065	-14,615	-14,055	-13,669
At current prices - seasonally adjusted													
Merchandise exports fob	..	..	..	10,197	10,888	10,243	10,164	10,539	10,676	11,631	11,902	11,815	12,114
Services, credits	..	..	..	2,299	2,440	2,579	2,761	2,668	2,664	2,789	2,762	2,699	2,779
Total exports of goods and services	..	..	..	12,496	13,328	12,822	12,925	13,207	13,340	14,420	14,664	14,514	14,893
Merchandise imports fob	..	..	..	-10,142	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314
Services, debits	..	..	..	-3,088	-3,173	-3,031	-3,090	-3,263	-3,576	-3,778	-3,741	-3,743	-3,932
Total imports of goods and services	..	..	..	-13,230	-13,887	-13,260	-13,689	-14,746	-15,649	-16,674	-17,279	-16,308	-17,246
At average 1984-85 prices - seasonally adjusted													
Merchandise exports fob	..	..	..	8,959	9,195	8,505	8,427	8,650	8,653	9,038	9,156	9,227	9,801
Services, credits	..	..	..	1,869	1,936	2,016	2,140	2,085	2,093	2,115	2,043	1,990	2,051
Total exports of goods and services	..	..	..	10,828	11,131	10,521	10,567	10,735	10,746	11,153	11,199	11,217	11,852
Merchandise imports fob	..	..	..	-8,346	-8,587	-8,525	-9,199	-10,032	-10,905	-11,161	-11,209	-10,794	-11,222
Services, debits	..	..	..	-2,398	-2,426	-2,404	-2,628	-2,757	-3,039	-3,029	-3,024	-2,989	-3,041
Total imports of goods and services	..	..	..	-10,744	-11,013	-10,929	-11,827	-12,789	-13,944	-14,190	-14,233	-13,783	-14,263

TABLE 6. BALANCE OF PAYMENTS — EXPORTS AND IMPORTS OF GOODS AND SERVICES — IMPLICIT PRICE DEFLATORS, FIXED-WEIGHTED INDEXES AND TERMS OF TRADE (1984-85 = 100) (a)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Implicit price deflators													
<i>Merchandise exports</i>													
Rural exports fob	105.4	128.5	141.6	123.0	136.3	141.7	140.6	144.0	140.3	140.6	143.0	141.3	138.2
Non-rural exports fob	105.9	108.9	115.3	108.9	109.5	111.2	111.9	111.0	115.7	122.7	124.0	122.8	118.2
<i>Total exports fob</i>	<i>105.7</i>	<i>115.5</i>	<i>123.8</i>	<i>113.8</i>	<i>118.4</i>	<i>120.4</i>	<i>120.6</i>	<i>121.8</i>	<i>123.4</i>	<i>128.7</i>	<i>130.0</i>	<i>128.0</i>	<i>123.6</i>
<i>Services, credits</i>	<i>118.2</i>	<i>124.9</i>	<i>129.3</i>	<i>123.0</i>	<i>126.0</i>	<i>127.9</i>	<i>129.0</i>	<i>128.0</i>	<i>127.3</i>	<i>131.9</i>	<i>135.2</i>	<i>135.6</i>	<i>135.5</i>
<i>Total exports of goods and services</i>	<i>107.7</i>	<i>117.2</i>	<i>124.8</i>	<i>115.4</i>	<i>119.7</i>	<i>121.9</i>	<i>122.3</i>	<i>123.0</i>	<i>124.1</i>	<i>129.3</i>	<i>130.9</i>	<i>129.4</i>	<i>125.7</i>
<i>Merchandise imports fob (b)</i>													
Exogenous imports fob	88.1	83.3	73.0	84.7	84.0	75.8	71.8	78.2	64.5	76.9	87.0	78.5	91.8
Endogenous imports fob	129.7	128.0	120.7	128.2	131.0	126.6	121.3	120.7	118.3	122.0	126.4	122.3	122.4
<i>Total imports fob</i>	<i>122.7</i>	<i>121.8</i>	<i>114.0</i>	<i>121.5</i>	<i>124.8</i>	<i>120.0</i>	<i>115.2</i>	<i>114.5</i>	<i>110.7</i>	<i>115.5</i>	<i>120.8</i>	<i>116.4</i>	<i>118.6</i>
<i>Services, debits (b)</i>	<i>125.4</i>	<i>127.0</i>	<i>119.4</i>	<i>128.8</i>	<i>130.8</i>	<i>126.1</i>	<i>117.6</i>	<i>118.4</i>	<i>117.7</i>	<i>124.7</i>	<i>123.7</i>	<i>125.2</i>	<i>129.3</i>
<i>Total imports of goods and services</i>	<i>123.3</i>	<i>123.0</i>	<i>115.2</i>	<i>123.1</i>	<i>126.1</i>	<i>121.3</i>	<i>115.7</i>	<i>115.3</i>	<i>112.2</i>	<i>117.5</i>	<i>121.4</i>	<i>118.3</i>	<i>120.9</i>
Terms of trade													
Merchandise trade (c)	86.1	94.8	108.6	93.7	94.9	100.3	104.7	106.4	111.5	111.4	107.6	110.0	104.2
Services (d)	94.3	98.3	108.3	95.5	96.3	101.4	109.7	108.1	108.2	105.8	109.3	108.3	104.8
Goods and services (e)	87.3	95.3	108.3	93.7	94.9	100.5	105.7	106.7	110.6	110.0	107.8	109.4	104.0
Fixed-weighted indexes (f)													
Merchandise exports fob	104.2	112.3	122.0	110.4	115.6	117.7	119.0	118.5	122.0	128.6	130.5	128.3	127.2
Services, credits	117.9	123.4	127.3	121.8	124.6	125.7	124.7	126.2	127.9	130.4	132.7	135.2	136.9
<i>Total exports of goods and services</i>	<i>106.4</i>	<i>114.0</i>	<i>122.9</i>	<i>112.2</i>	<i>117.0</i>	<i>119.0</i>	<i>119.9</i>	<i>119.7</i>	<i>122.9</i>	<i>128.9</i>	<i>130.9</i>	<i>129.4</i>	<i>128.7</i>
Merchandise imports fob (b)	127.9	128.6	121.8	129.1	131.0	128.3	122.4	121.5	118.7	124.4	128.4	125.5	126.6
Services, debits (b)	127.0	128.6	120.7	131.3	132.3	126.7	119.0	119.9	117.9	126.1	125.7	129.7	130.5
<i>Total imports of goods and services (b)</i>	<i>127.7</i>	<i>128.6</i>	<i>121.5</i>	<i>129.6</i>	<i>131.3</i>	<i>127.9</i>	<i>121.6</i>	<i>121.1</i>	<i>118.5</i>	<i>124.8</i>	<i>127.8</i>	<i>126.5</i>	<i>127.5</i>

(a) Quarterly figures are derived from seasonally adjusted data. (b) These entries carry the opposite sign to related entries in Tables 1,2,3,5,7,8,9,10 and 13. (c) Derived by dividing the implicit price deflator (IPD) for merchandise exports fob by the IPD for merchandise imports fob. (d) Derived by dividing the IPD for services, credits by the IPD for services, debits. (e) Derived by dividing the IPD for total exports of goods and services by the IPD for total imports of goods and services. (f) The fixed-weighted indexes are derived by combining individual component prices (base year 1984-85 = 100) with a weighting to reflect the relative importance of the components in the base year. For further details see "Changes in this issue" on page 8.

TABLE 7. MERCHANDISE (BALANCE OF PAYMENTS BASIS)
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Exports fob (a) -													
<i>Rural exports fob -</i>													
Meat & meat preparations	2,244	2,555	2,249	656	621	668	534	601	481	633	696	767	693
Cereal grains & cereal preparations	2,778	2,202	2,729	549	623	405	453	501	719	1,056	706	608	1,013
Sugar, sugar preparations & honey	708	698	885	161	152	196	305	205	155	220	407	272	189
Wool and sheepskins	3,888	5,811	5,939	1,547	1,904	1,454	1,039	1,780	1,717	1,403	940	1,058	847
Other rural	3,521	3,976	4,015	937	1,014	1,049	1,017	1,024	889	1,085	1,167	987	950
Total rural	13,139	15,242	15,817	3,850	4,314	3,772	3,348	4,111	3,961	4,397	3,916	3,692	3,692
<i>Non-rural exports fob -</i>													
Metal ores & minerals	4,956	5,455	6,586	1,439	1,305	1,441	1,433	1,513	1,635	2,005	1,838	1,936	1,812
Mineral fuels -													
Coal, coke and briquettes	5,456	4,850	4,737	1,314	1,269	1,127	1,126	1,212	1,100	1,299	1,435	1,374	1,580
Other mineral fuels	1,515	1,779	1,258	522	456	390	374	261	271	352	370	435	613
Metals -													
Gold	1,552	2,563	2,731	578	737	774	761	612	745	613	772	909	899
Other metals	2,899	3,749	4,662	966	918	985	1,125	1,160	1,074	1,303	1,202	1,164	1,053
Machinery	1,595	1,835	1,869	475	416	508	475	482	405	507	575	646	522
Transport equipment	1,034	957	886	191	231	263	209	180	231	266	292	269	227
Manufactures nec	2,363	2,941	3,276	726	703	830	860	834	714	868	981	1,128	830
Other non-rural	914	1,170	1,225	244	297	372	345	304	288	288	478	391	445
Total non-rural	22,284	25,299	27,230	6,455	6,332	6,690	6,708	6,558	6,463	7,501	7,943	8,252	7,981
Total exports fob	35,423	40,541	43,047	10,305	10,646	10,462	10,056	10,669	10,424	11,898	11,859	11,944	11,673
Imports fob (a) -													
Food, beverages & tobacco	-1,936	-2,013	-2,200	-516	-552	-464	-494	-572	-584	-550	-584	-581	-589
Fuels	-1,751	-2,036	-2,014	-613	-494	-517	-411	-295	-561	-747	-633	-698	-600
Chemicals (including plastics)	-3,466	-4,280	-4,973	-1,021	-1,145	-1,123	-1,223	-1,198	-1,211	-1,341	-1,337	-1,247	-1,327
Textiles, fabrics etc	-1,830	-1,931	-2,002	-496	-448	-475	-522	-493	-473	-514	-554	-489	-461
Metals & metal manufactures	-1,845	-2,205	-2,625	-548	-540	-552	-602	-609	-657	-757	-770	-784	-633
Machinery	-11,360	-12,230	-13,793	-3,192	-3,024	-3,067	-3,237	-3,453	-3,304	-3,799	-4,064	-4,021	-3,907
Transport equipment	-4,502	-4,152	-6,849	-1,033	-1,075	-1,130	-1,303	-2,025	-1,669	-1,852	-2,484	-1,812	-1,917
Manufactures nec	-7,700	-8,563	-9,766	-2,200	-2,228	-2,029	-2,431	-2,482	-2,399	-2,454	-2,782	-2,647	-2,592
Other imports	-2,769	-2,976	-2,810	-742	-716	-712	-741	-733	-653	-683	-689	-680	-665
Total imports fob	-37,159	-40,386	-47,032	-10,361	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691
<i>Of which -</i>													
<i>Exogenous</i>	-4,459	-3,829	-4,207	-1,065	-958	-867	-799	-1,139	-994	-1,275	-1,377	-1,114	-1,271
<i>Endogenous -</i>													
Consumption goods	-8,296	-9,348	-11,432	-2,444	-2,478	-2,190	-2,658	-2,995	-2,903	-2,876	-3,377	-3,187	-2,935
Capital goods	-8,031	-8,578	-10,583	-2,265	-2,066	-2,282	-2,430	-2,708	-2,562	-2,883	-3,314	-2,990	-2,854
Other goods	-16,373	-18,631	-20,810	-4,587	-4,720	-4,730	-5,077	-5,018	-5,052	-5,663	-5,829	-5,668	-5,631
Total endogenous	-32,700	-36,557	-42,825	-9,296	-9,264	-9,202	-10,165	-10,721	-10,517	-11,422	-12,520	-11,845	-11,420
Balance on merchandise trade	-1,736	155	-3,985	-56	424	393	-908	-1,191	-1,087	-799	-2,038	-1,015	-1,018

(a) From March quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 8. MERCHANDISE (BALANCE OF PAYMENTS BASIS) AT AVERAGE 1984-85 PRICES

(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Exports fob (a) -													
<i>Rural exports fob -</i>													
Meat & meat preparations	1,930	2,130	1,866	536	515	561	444	489	420	513	527	577	527
Cereal grains & cereal preparations	3,462	2,764	2,575	726	712	455	495	503	665	912	587	499	855
Sugar, sugar preparations & honey	653	640	672	169	120	174	237	162	122	151	260	172	123
Wool and sheepskins	3,253	3,204	2,898	922	977	670	493	845	838	722	523	620	475
Other rural	3,170	3,125	3,162	731	783	804	805	822	705	830	893	741	679
Total rural	12,468	11,863	11,173	3,084	3,107	2,664	2,474	2,821	2,750	3,128	2,790	2,609	2,659
<i>Non-rural exports fob -</i>													
Metal ores & minerals	4,733	5,219	5,314	1,388	1,246	1,329	1,270	1,368	1,262	1,414	1,296	1,412	1,336
<i>Mineral fuels -</i>													
Coal, coke and briquettes	5,232	5,543	5,319	1,479	1,452	1,333	1,282	1,394	1,280	1,363	1,383	1,333	1,505
Other mineral fuels	2,347	2,542	2,248	723	651	608	664	551	489	544	592	636	927
<i>Metals -</i>													
Gold	1,032	1,561	2,060	345	441	474	536	461	592	471	600	710	712
Other metals	2,543	2,662	2,848	697	633	651	688	717	664	779	706	787	765
Machinery	1,458	1,647	1,650	426	377	436	415	433	362	440	492	570	440
Transport equipment	934	868	837	163	218	252	204	175	218	240	263	247	199
Manufactures nec	1,954	2,184	2,387	551	509	590	612	610	536	629	699	781	578
Other non-rural	811	1,007	946	207	265	308	278	247	217	204	331	278	328
Total non-rural	21,044	23,233	23,609	5,979	5,792	5,981	5,949	5,956	5,620	6,084	6,362	6,754	6,790
Total exports fob	33,512	35,096	34,782	9,063	8,899	8,645	8,423	8,777	8,370	9,212	9,152	9,363	9,449
Imports fob (a) -													
Food, beverages & tobacco	-1,532	-1,632	-1,938	-415	-438	-381	-430	-499	-527	-482	-500	-516	-523
Fuels	-2,753	-2,935	-3,620	-844	-710	-821	-733	-591	-1,108	-1,188	-907	-1,031	-795
Chemicals (including plastics)	-2,769	-3,284	-3,779	-787	-858	-843	-928	-903	-927	-1,021	-1,006	-980	-1,049
Textiles, fabrics etc	-1,426	-1,452	-1,572	-369	-330	-354	-407	-386	-380	-399	-414	-370	-344
Metals & metal manufactures	-1,424	-1,606	-1,813	-405	-378	-386	-424	-424	-461	-504	-499	-521	-426
Machinery	-9,280	-10,829	-13,799	-2,800	-2,643	-2,850	-3,199	-3,481	-3,360	-3,759	-3,832	-3,932	-3,778
Transport equipment	-3,167	-2,808	-5,175	-710	-706	-758	-936	-1,612	-1,284	-1,343	-1,813	-1,337	-1,423
Manufactures nec	-5,754	-6,309	-7,419	-1,607	-1,620	-1,487	-1,856	-1,881	-1,867	-1,815	-1,999	-1,916	-1,871
Other imports	-2,173	-2,282	-2,184	-565	-531	-539	-574	-569	-519	-522	-505	-505	-507
Total imports fob	-30,278	-33,137	-41,299	-8,502	-8,214	-8,419	-9,487	-10,346	-10,433	-11,033	-11,475	-11,108	-10,716
<i>Of which-</i>													
<i>Exogenous</i>	-5,061	-4,598	-5,768	-1,253	-1,142	-1,150	-1,109	-1,449	-1,540	-1,670	-1,576	-1,415	-1,385
<i>Endogenous -</i>													
Consumption goods	-6,216	-6,989	-8,994	-1,827	-1,807	-1,637	-2,082	-2,362	-2,294	-2,256	-2,592	-2,393	-2,290
Capital goods	-6,340	-7,294	-10,012	-1,912	-1,735	-2,006	-2,266	-2,484	-2,589	-2,673	-2,810	-2,985	-2,617
Other goods	-12,662	-14,256	-16,525	-3,510	-3,530	-3,626	-4,030	-4,051	-4,010	-4,434	-4,497	-4,315	-4,424
Total endogenous	-25,217	-28,539	-35,531	-7,249	-7,072	-7,269	-8,378	-8,897	-8,893	-9,363	-9,899	-9,693	-9,331
Balance on merchandise trade	3,234	1,959	-6,517	561	685	226	-1,064	-1,569	-2,063	-1,821	-2,323	-1,745	-1,267

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 9. MERCHANDISE (BALANCE OF PAYMENTS BASIS) - SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88			1988-89			1989-90			
	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Exports fob (a) -										
<i>Rural exports fob -</i>										
Meat & meat preparations	644	699	641	512	585	540	607	671	743	778
Cereal grains & cereal preparations	627	538	378	505	571	626	980	788	691	885
Sugar, sugar preparations & honey	168	208	190	238	215	209	216	315	287	254
Wool and sheepskins	1,476	1,612	1,421	1,399	1,685	1,456	1,371	1,273	996	719
Other rural	954	1,108	1,020	947	1,042	969	1,058	1,088	1,003	1,034
Total rural	3,869	4,165	3,650	3,601	4,098	3,800	4,232	4,135	3,720	3,670
<i>Non-rural exports fob -</i>										
Metal ores & minerals	1,395	1,463	1,387	1,383	1,470	1,822	1,928	1,781	1,879	2,014
Mineral fuels -										
Coal, coke and briquettes	1,268	1,301	1,143	1,126	1,166	1,128	1,321	1,434	1,318	1,620
Other mineral fuels	476	459	404	399	236	274	365	394	394	620
Metals -										
Gold	639	727	710	777	667	727	570	789	986	873
Other metals	970	978	970	1,072	1,163	1,144	1,285	1,145	1,165	1,121
Machinery	446	473	497	462	450	461	495	561	603	594
Transport equipment	180	236	264	216	172	230	271	298	264	223
Manufactures nec	698	784	813	825	801	796	852	942	1,082	924
Other non-rural	256	302	405	303	316	294	312	423	404	455
Total non-rural	6,328	6,723	6,593	6,563	6,441	6,876	7,399	7,767	8,095	8,444
Total exports fob	10,197	10,888	10,243	10,164	10,539	10,676	11,631	11,902	11,815	12,114
Imports fob (a) -										
Food, beverages & tobacco	-499	-523	-495	-509	-553	-550	-590	-601	-561	-553
Fuels	-636	-491	-493	-419	-306	-559	-706	-652	-718	-600
Chemicals (including plastics)	-1,050	-1,192	-1,088	-1,183	-1,230	-1,260	-1,300	-1,295	-1,278	-1,380
Textiles, fabrics etc	-492	-490	-477	-482	-489	-517	-516	-512	-486	-504
Metals & metal manufactures	-550	-571	-556	-565	-612	-694	-764	-722	-788	-668
Machinery	-3,089	-3,196	-3,106	-3,143	-3,331	-3,489	-3,849	-3,953	-3,873	-4,124
Transport equipment	-940	-1,169	-1,143	-1,325	-1,822	-1,816	-1,873	-2,544	-1,620	-2,087
Manufactures nec	-2,146	-2,306	-2,168	-2,274	-2,411	-2,482	-2,622	-2,609	-2,565	-2,680
Other imports	-740	-776	-703	-699	-729	-706	-676	-650	-676	-718
Total Imports fob	-10,142	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314
<i>Of which-</i>										
<i>Exogenous</i>	-1,088	-955	-843	-807	-1,150	-992	-1,234	-1,396	-1,134	-1,271
<i>Endogenous -</i>										
Consumption goods	-2,303	-2,531	-2,422	-2,520	-2,827	-2,950	-3,189	-3,204	-3,007	-2,975
Capital goods	-2,203	-2,201	-2,295	-2,356	-2,461	-2,923	-2,867	-2,969	-3,209	-2,975
Other goods	-4,548	-5,027	-4,669	-4,916	-5,045	-5,208	-5,606	-5,969	-5,215	-6,093
Total endogenous	-9,054	-9,759	-9,386	-9,792	-10,333	-11,081	-11,662	-12,142	-11,431	-12,043
Balance on merchandise trade	55	174	14	-435	-944	-1,397	-1,265	-1,636	-750	-1,200

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 10. MERCHANDISE (BALANCE OF PAYMENTS BASIS) AT AVERAGE 1984-85 PRICES - SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88			1988-89			1989-90			
	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Exports fob (a) -										
<i>Rural exports fob -</i>										
Meat & meat preparations	526	580	538	426	476	472	492	508	559	591
Cereal grains & cereal preparations	830	615	425	551	574	579	846	655	567	747
Sugar, sugar preparations & honey	174	168	167	186	167	169	147	203	178	170
Wool and sheepskins	872	837	664	649	791	720	716	693	576	408
Other rural	744	856	782	750	837	768	809	832	753	739
<i>Total rural</i>	<i>3,146</i>	<i>3,056</i>	<i>2,576</i>	<i>2,562</i>	<i>2,845</i>	<i>2,708</i>	<i>3,010</i>	<i>2,891</i>	<i>2,633</i>	<i>2,655</i>
<i>Non-rural exports fob -</i>										
Metal ores & minerals	1,346	1,397	1,279	1,226	1,329	1,407	1,360	1,255	1,371	1,485
Mineral fuels -										
Coal, coke and briquettes	1,427	1,488	1,352	1,282	1,341	1,312	1,386	1,382	1,279	1,543
Other mineral fuels	659	656	629	708	498	494	564	630	576	937
Metals -										
Gold	381	435	435	547	502	578	438	613	770	691
Other metals	700	675	641	656	719	707	769	673	788	814
Machinery	400	428	427	403	405	412	429	480	532	501
Transport equipment	153	223	253	211	168	217	244	268	242	196
Manufactures nec	530	568	578	587	586	597	617	671	749	644
Other non-rural	217	269	335	245	257	221	221	293	287	335
<i>Total non-rural</i>	<i>5,813</i>	<i>6,139</i>	<i>5,929</i>	<i>5,865</i>	<i>5,805</i>	<i>5,945</i>	<i>6,028</i>	<i>6,265</i>	<i>6,594</i>	<i>7,146</i>
Total exports fob	8,959	9,195	8,505	8,427	8,650	8,653	9,038	9,156	9,227	9,801
Imports fob (a) -										
Food, beverages & tobacco	-401	-415	-407	-443	-483	-496	-517	-514	-499	-491
Fuels	-876	-705	-783	-748	-612	-1,105	-1,123	-935	-1,060	-794
Chemicals (including plastics)	-809	-893	-817	-898	-927	-964	-990	-974	-1,004	-1,091
Textiles, fabrics etc	-366	-361	-355	-376	-383	-416	-400	-383	-367	-376
Metals & metal manufactures	-407	-399	-389	-398	-426	-487	-508	-468	-524	-450
Machinery	-2,710	-2,793	-2,886	-3,106	-3,358	-3,548	-3,808	-3,727	-3,787	-3,988
Transport equipment	-646	-768	-767	-952	-1,450	-1,397	-1,358	-1,857	-1,195	-1,549
Manufactures nec	-1,568	-1,677	-1,589	-1,736	-1,827	-1,931	-1,940	-1,875	-1,856	-1,935
Other imports	-563	-576	-532	-542	-566	-561	-517	-476	-502	-548
Total Imports fob	-8,346	-8,587	-8,525	-9,199	-10,032	-10,905	-11,161	-11,209	-10,794	-11,222
<i>Of which-</i>										
<i>Exogenous</i>	<i>-1,285</i>	<i>-1,137</i>	<i>-1,112</i>	<i>-1,124</i>	<i>-1,470</i>	<i>-1,537</i>	<i>-1,605</i>	<i>-1,604</i>	<i>-1,444</i>	<i>-1,384</i>
<i>Endogenous -</i>										
Consumption goods	-1,722	-1,845	-1,810	-1,974	-2,229	-2,331	-2,502	-2,459	-2,258	-2,322
Capital goods	-1,860	-1,839	-2,016	-2,200	-2,406	-2,739	-2,697	-2,728	-2,886	-2,765
Other goods	-3,479	-3,766	-3,587	-3,901	-3,927	-4,298	-4,357	-4,418	-4,206	-4,751
<i>Total endogenous</i>	<i>-7,061</i>	<i>-7,450</i>	<i>-7,413</i>	<i>-8,075</i>	<i>-8,562</i>	<i>-9,368</i>	<i>-9,556</i>	<i>-9,605</i>	<i>-9,350</i>	<i>-9,838</i>
Balance on merchandise trade	613	608	-20	-772	-1,382	-2,252	-2,123	-2,053	-1,567	-1,421

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 11. MERCHANDISE- FOREIGN TRADE STATISTICS ADJUSTED FOR BALANCE OF PAYMENTS PURPOSES
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Exports -													
Foreign trade statistics(a)	35,806	41,078	43,505	10,531	10,776	10,545	10,167	10,798	10,499	12,041	12,263	12,390	11,908
Adjustments -													
Coverage(b)	-380	-523	-424	-163	-122	-64	-111	-114	-85	-114	-176	-115	-110
Timing	-3	-14	-34	-63	-8	-19	—	-15	10	-29	-228	-331	-125
Merchandise exports (balance of payments basis)	35,423	40,541	43,047	10,305	10,646	10,462	10,056	10,669	10,424	11,898	11,859	11,944	11,673
Imports -													
Foreign trade statistics(a)	36,988	40,597	47,039	10,415	10,265	10,078	10,718	11,355	12,110	12,856	13,447	13,339	12,708
Adjustments -													
Coverage(b)	114	-134	-82	-72	-6	-5	-3	-5	-86	12	-36	10	19
Timing	56	-51	72	27	-30	—	250	514	-519	-173	489	-391	-35
Valuation	1	-26	3	-9	-7	-4	-1	-4	6	2	-3	1	-1
Merchandise imports (balance of payments basis) (c)	37,159	40,386	47,032	10,361	10,222	10,069	10,964	11,860	11,511	12,697	13,897	12,959	12,691

(a) From 1 July 1987, gold coin and other coin that are legal tender are included in exports/imports of merchandise trade (b) Prior to 1 July 1987 a coverage adjustment is made to include exports/imports of gold coin and other coin that are legal tender (c) These entries carry the opposite sign to corresponding entries in Tables 1,2,3,5,7,8,9 and 10.

TABLE 12. BALANCE OF PAYMENTS - CURRENT ACCOUNT - SERVICES CREDITS
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
<i>Shipment -</i>													
Freight on exports	454	528	543	136	134	128	127	132	140	144	133	135	138
Insurance on exports	8	9	11	2	3	2	3	2	3	3	3	3	3
<i>Total</i>	462	537	554	138	137	130	130	134	143	147	136	138	141
<i>Other transportation -</i>													
Passenger services	1,197	1,511	1,530	394	455	371	387	414	397	332	342	342	378
Port services etc	1,568	1,631	1,702	400	398	417	404	424	427	447	465	453	453
<i>Total</i>	2,765	3,142	3,232	794	853	788	791	838	824	779	807	795	831
<i>Travel</i>													
Students' expenditure	332	457	634	97	208	75	122	117	298	97	114	154	393
Other	2,214	3,108	3,806	808	877	805	931	1,087	979	809	859	997	999
<i>Total</i>	2,546	3,565	4,440	905	1,085	880	1,053	1,204	1,277	906	973	1,151	1,392
<i>Other services -</i>													
Official	181	200	249	40	67	53	50	44	64	91	49	64	70
Non-official -													
Expenditure of foreign govts	74	84	87	23	19	22	22	23	19	23	30	23	22
Expenditure of foreign govt employees	66	73	76	18	18	19	19	19	19	19	19	18	18
Expenditure of resident entity employees	117	144	162	38	40	35	42	45	42	33	36	41	43
Financial services	125	208	172	61	35	40	34	32	39	67	45	45	45
Insurance services nec	16	29	24	7	7	8	6	6	6	6	6	6	6
Miscellaneous services	1,373	1,536	1,860	368	379	409	436	434	474	516	503	493	499
<i>Total</i>	1,771	2,074	2,381	515	498	533	559	559	599	664	639	626	633
<i>Total other services</i>	1,952	2,274	2,630	555	565	586	609	603	663	755	688	690	703
Total services credits	7,725	9,518	10,856	2,392	2,640	2,384	2,583	2,779	2,907	2,587	2,604	2,774	3,067

TABLE 13. BALANCE OF PAYMENTS - CURRENT ACCOUNT - SERVICES DEBITS
(\$ million)

	Year			Quarters ended										
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90				
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	
<i>Shipment -</i>														
Freight on imports	-2,732	-2,832	-3,152	-749	-717	-681	-730	-754	-802	-866	-864	-843	-795	
Insurance on imports	-24	-24	-24	-6	-6	-6	-6	-6	-6	-6	-6	-6	-6	
<i>Total</i>	-2,756	-2,856	-3,176	-755	-723	-687	-736	-760	-808	-872	-870	-849	-801	
<i>Other transportation -</i>														
Passenger services	-1,328	-1,547	-1,852	-371	-391	-393	-447	-441	-441	-523	-585	-544	-575	
Port services etc	-786	-963	-1,065	-239	-258	-239	-213	-268	-299	-285	-253	-310	-301	
<i>Total</i>	-2,114	-2,510	-2,917	-610	-649	-632	-660	-709	-740	-808	-838	-854	-876	
<i>Travel</i>														
Students' expenditure	-117	-129	-166	-27	-38	-24	-48	-34	-48	-36	-53	-39	-60	
Other	-2,991	-3,583	-4,072	-885	-835	-867	-971	-893	-994	-1,214	-1,296	-1,066	-1,202	
<i>Total</i>	-3,108	-3,712	-4,238	-912	-873	-891	-1,019	-927	-1,042	-1,250	-1,349	-1,105	-1,262	
<i>Other services -</i>														
<i>Official -</i>														
Defence services	-88	-86	-83	-18	-24	-29	-21	-13	-23	-26	-23	-23	-23	
Financial services	-43	-4	-3	-1	-1	-1	-1	-1	-1	-	-1	-1	-1	
Miscellaneous services	-210	-221	-221	-44	-65	-71	-51	-45	-55	-70	-55	-82	-59	
<i>Total</i>	-341	-311	-307	-63	-90	-101	-73	-59	-79	-96	-79	-106	-83	
<i>Non-official -</i>														
Expenditure of Aust govt employees	-117	-113	-102	-27	-29	-29	-27	-24	-25	-26	-29	-29	-29	
Expenditure of non-resident entity employees	-117	-121	-128	-30	-27	-29	-33	-32	-31	-32	-40	-38	-38	
Financial services	-149	-148	-206	-38	-24	-28	-44	-45	-77	-40	-51	-51	-51	
Insurance services nec	-283	-288	-300	-72	-72	-72	-75	-75	-75	-75	-78	-78	-78	
Miscellaneous services	-1,873	-2,197	-2,299	-540	-609	-546	-552	-596	-601	-550	-579	-588	-588	
<i>Total</i>	-2,539	-2,867	-3,035	-707	-761	-704	-731	-772	-809	-723	-777	-784	-784	
<i>Total other services</i>	-2,880	-3,178	-3,342	-770	-851	-805	-804	-831	-888	-819	-856	-890	-867	
Total services debits	-10,858	-12,256	-13,673	-3,047	-3,096	-3,015	-3,219	-3,227	-3,478	-3,749	-3,913	-3,698	-3,806	

TABLE 14. BALANCE OF PAYMENTS - CURRENT ACCOUNT - INCOME CREDITS

(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Property income -													
<i>Investment income -</i>													
<i>Official -</i>													
General government	43	47	74	13	12	11	5	17	23	29	18	37	32
Reserve Bank (a)	531	706	998	203	140	176	222	204	285	287	307	315	297
<i>Total official</i>	<i>574</i>	<i>753</i>	<i>1,072</i>	<i>216</i>	<i>152</i>	<i>187</i>	<i>227</i>	<i>221</i>	<i>308</i>	<i>316</i>	<i>325</i>	<i>352</i>	<i>329</i>
<i>Non-official -</i>													
<i>Direct investment income -</i>													
Reinvested earnings	1,178	2,162	2,123	540	540	541	531	530	531	531	675	675	675
<i>Distributed earnings -</i>													
Remitted profits	30	79	63	47	10	14	6	43	4	10	8	6	4
Dividends	447	102	60	15	3	35	31	4	2	23	25	31	11
Interest	-119	-111	-85	-51	-21	—	-19	-38	-25	-3	41	22	1
Total	358	70	38	11	-8	49	18	9	-19	30	74	59	16
<i>Total direct investment income</i>	<i>1,536</i>	<i>2,232</i>	<i>2,161</i>	<i>551</i>	<i>532</i>	<i>590</i>	<i>549</i>	<i>539</i>	<i>512</i>	<i>561</i>	<i>749</i>	<i>734</i>	<i>691</i>
<i>Portfolio and other investment income -</i>													
Dividends	162	127	221	36	24	34	39	36	75	71	50	79	96
Interest	349	452	421	127	149	81	95	92	134	100	144	141	168
Total	511	579	642	163	173	115	134	128	209	171	194	220	264
<i>Total non-official</i>	<i>2,047</i>	<i>2,811</i>	<i>2,803</i>	<i>714</i>	<i>705</i>	<i>705</i>	<i>683</i>	<i>667</i>	<i>721</i>	<i>732</i>	<i>943</i>	<i>954</i>	<i>955</i>
<i>Total investment income</i>	<i>2,621</i>	<i>3,564</i>	<i>3,875</i>	<i>930</i>	<i>857</i>	<i>892</i>	<i>910</i>	<i>888</i>	<i>1,029</i>	<i>1,048</i>	<i>1,268</i>	<i>1,306</i>	<i>1,284</i>
<i>Other property income</i>	<i>248</i>	<i>204</i>	<i>221</i>	<i>48</i>	<i>53</i>	<i>43</i>	<i>50</i>	<i>56</i>	<i>55</i>	<i>60</i>	<i>60</i>	<i>60</i>	<i>60</i>
Total property income	2,869	3,768	4,096	978	910	935	960	944	1,084	1,108	1,328	1,366	1,344
Labour and other income -													
<i>Labour income -</i>													
Earnings in Australia	48	54	58	13	13	14	14	14	15	15	15	15	15
Earnings abroad	117	122	132	30	28	29	34	32	33	33	40	38	38
Total	165	176	190	43	41	43	48	46	48	48	55	53	53
<i>Insurance income</i>	—	—	—	—	—	—	—	—	—	—	—	—	—
Total labour and other income	165	176	190	43	41	43	48	46	48	48	55	53	53
Total income credits	3,034	3,944	4,286	1,021	951	978	1,008	990	1,132	1,156	1,383	1,419	1,397

(a) Also includes interest/remuneration received from the IMF on behalf of the Commonwealth Government.

TABLE 15. BALANCE OF PAYMENTS - CURRENT ACCOUNT - INCOME DEBITS
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Property income -													
<i>Investment income -</i>													
<i>Official -</i>													
General government -													
Interest on borrowing domiciled abroad	-1,463	-1,761	-1,545	-563	-473	-384	-274	-483	-386	-402	-393	-557	-421
Interest on borrowing domiciled in Australia	-764	-1,117	-1,486	-236	-352	-251	-316	-338	-466	-366	-415	-447	-490
Total	-2,227	-2,878	-3,031	-799	-825	-635	-590	-821	-852	-768	-808	-1,004	-911
Reserve Bank (a)	-22	-22	-18	-6	-6	-5	-5	-6	—	-7	-8	-8	-9
<i>Total official</i>	-2,249	-2,900	-3,049	-805	-831	-640	-595	-827	-852	-775	-816	-1,012	-920
<i>Non-official -</i>													
<i>Direct investment income -</i>													
Reinvested earnings	-1,244	-2,417	-2,225	-604	-604	-605	-556	-556	-556	-557	-672	-672	-672
Distributed earnings -													
Remitted profits	-212	-233	-556	-55	-62	-68	-141	-192	-127	-96	-66	-66	-235
Dividends	-538	-933	-1,394	-215	-268	-209	-392	-139	-308	-555	-246	-500	-754
Interest	-643	-616	-1,062	-147	-125	-156	-217	-328	-246	-271	-260	-381	-270
Total	-1,393	-1,782	-3,012	-417	-455	-433	-750	-659	-681	-922	-572	-947	-1,259
<i>Total direct investment income</i>	-2,637	-4,199	-5,237	-1,021	-1,059	-1,038	-1,306	-1,215	-1,237	-1,479	-1,244	-1,619	-1,931
<i>Portfolio and other investment income -</i>													
Dividends	-700	-602	-1,096	-138	-182	-172	-137	-228	-318	-413	-201	-315	-231
Interest -													
Public sector	-1,517	-1,586	-1,892	-341	-447	-385	-457	-333	-562	-540	-705	-546	-731
Private sector	-3,395	-3,509	-4,675	-932	-891	-969	-1,062	-1,122	-1,177	-1,314	-1,484	-1,345	-1,424
Total	-4,912	-5,095	-6,567	-1,273	-1,338	-1,354	-1,519	-1,455	-1,739	-1,854	-2,189	-1,891	-2,155
<i>Total portfolio and other investment income</i>	-5,612	-5,697	-7,663	-1,411	-1,520	-1,526	-1,656	-1,683	-2,057	-2,267	-2,390	-2,206	-2,386
<i>Total non-official</i>	-8,249	-9,896	-12,900	-2,432	-2,579	-2,564	-2,962	-2,898	-3,294	-3,746	-3,634	-3,825	-4,317
<i>Total investment income</i>	-10,498	-12,796	-15,949	-3,237	-3,410	-3,204	-3,557	-3,725	-4,146	-4,521	-4,450	-4,837	-5,237
<i>Other property income -</i>													
Cinema and TV film royalties	-183	-318	-286	-123	-51	-83	-69	-56	-89	-72	-77	-76	-77
Other	-724	-758	-735	-197	-191	-188	-166	-194	-186	-189	-198	-198	-198
Total	-907	-1,076	-1,021	-320	-242	-271	-235	-250	-275	-261	-275	-274	-275
<i>Total property income</i>	-11,405	-13,872	-16,970	-3,557	-3,652	-3,475	-3,792	-3,975	-4,421	-4,782	-4,725	-5,111	-5,512
<i>Labour and other income -</i>													
<i>Official</i>	-62	-65	-58	-16	-17	-16	-16	-14	-13	-15	-17	-16	-17
<i>Non-official -</i>													
Labour income	-117	-145	-161	-38	-40	-36	-42	-45	-41	-33	-36	-41	-43
Insurance income	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Total non-official</i>	-117	-145	-161	-38	-40	-36	-42	-45	-41	-33	-36	-41	-43
<i>Total labour and other income</i>	-179	-210	-219	-54	-57	-52	-58	-59	-54	-48	-53	-57	-60
Total income debits	-11,584	-14,082	-17,189	-3,611	-3,709	-3,527	-3,850	-4,034	-4,475	-4,830	-4,778	-5,168	-5,572

(a) Also includes interest /charges paid to the IMF on behalf of the Commonwealth Government.

TABLE 16. BALANCE OF PAYMENTS - CURRENT ACCOUNT - UNREQUITED TRANSFERS
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Credits -													
<i>Official -</i>	786	819	897	181	194	237	209	199	238	251	262	228	328
<i>Non-official -</i>													
Migrants' transfers	1,657	2,074	2,580	533	539	542	553	643	673	711	649	698	674
Foreign government pensions	30	34	24	8	9	9	8	8	4	4	5	5	9
Miscellaneous transfers	544	618	709	159	160	162	160	180	180	189	180	180	180
Total	2,231	2,726	3,313	700	708	713	721	831	857	904	834	883	863
Total unrequited transfers credits	3,017	3,545	4,210	881	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191
Debits -													
<i>Official -</i>													
Foreign aid -													
Papua New Guinea aid	-348	-323	-328	-81	-84	-84	-99	-59	-87	-83	-81	-82	-94
Other foreign aid	-500	-561	-620	-120	-191	-192	-73	-147	-182	-218	-108	-134	-253
Total	-848	-884	-948	-201	-275	-276	-172	-206	-269	-301	-189	-216	-347
Pensions	-134	-139	-148	-33	-36	-37	-37	-37	-37	-37	-39	-39	-39
Miscellaneous transfers	-76	-75	-61	-16	-36	-14	-8	-17	-31	-5	-9	-6	-40
Total official	-1,058	-1,098	-1,157	-250	-347	-327	-217	-260	-337	-343	-237	-261	-426
<i>Non-official -</i>													
Migrants' transfers	-306	-319	-349	-84	-77	-81	-77	-86	-101	-85	-90	-102	-114
Withholding taxes	-22	-28	-29	-7	-7	-7	-5	-4	-4	-16	-8	-8	-8
Miscellaneous transfers	-418	-436	-466	-111	-107	-111	-112	-119	-116	-119	-114	-114	-114
Total non-official	-746	-783	-844	-202	-191	-199	-194	-209	-221	-220	-212	-224	-236
Total unrequited transfers debits	-1,804	-1,881	-2,001	-452	-538	-526	-411	-469	-558	-563	-449	-485	-662
Net unrequited transfers	1,213	1,664	2,209	429	364	424	519	561	537	592	647	626	529

TABLE 17. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF GENERAL GOVERNMENT
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Foreign investment in Australia -													
<i>Borrowing -</i>													
Domiciled abroad -													
Commonwealth Government -													
Drawings	3,084	—	—	—	—	—	—	—	—	—	—	—	—
Repayments	-2,359	-1,622	-3,175	-290	-145	-765	-997	-1,117	-521	-540	-1,253	-670	-736
Total	725	-1,622	-3,175	-290	-145	-765	-997	-1,117	-521	-540	-1,253	-670	-736
State government -													
Drawings	2,964	4,822	9,236	388	1,734	1,405	2,069	1,718	2,564	2,885	2,713	2,503	3,464
Repayments	-442	-2,743	-6,477	-514	-1,057	-928	-1,299	-1,548	-1,265	-2,365	-1,552	-1,950	-3,145
Total	2,522	2,079	2,759	-126	677	477	770	170	1,299	520	1,161	553	319
Total domiciled abroad	3,247	457	-416	-416	532	-288	-227	-947	778	-20	-92	-117	-417
Domiciled in Australia -													
Purchases by non - residents	12,236	25,976	23,055	5,143	8,508	6,508	6,046	8,004	5,662	3,343	4,972	4,046	6,205
Sales by non - residents	-9,337	-22,346	-21,592	-5,470	-5,168	-6,326	-5,979	-4,887	-5,449	-5,277	-4,254	-3,525	-4,749
Total domiciled in Australia	2,899	3,630	1,463	-327	3,340	182	67	3,117	213	-1,934	718	521	1,456
Total borrowing	6,146	4,087	1,047	-743	3,872	-106	-160	2,170	991	-1,954	626	404	1,039
Other	-12	-71	-188	-15	-27	-28	-12	-19	-24	-133	—	-2	-27
Total foreign investment in Australia	6,134	4,016	859	-758	3,845	-134	-172	2,151	967	-2,087	626	402	1,012
Australian investment abroad -													
Lending	-166	-279	-249	-47	-103	-143	-353	114	-74	64	78	-475	434
Accounts receivable/prepayments made	-313	120	-104	74	-34	-74	-27	-18	-6	-53	58	26	55
Other	-94	574	-6	-4	-4	583	-6	—	—	—	—	—	—
Total Australian investment abroad	-573	415	-359	23	-141	366	-386	96	-80	11	136	-449	489
Total general government	5,561	4,431	500	-735	3,704	232	-558	2,247	887	-2,076	762	-47	1,501

TABLE 18. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF THE RESERVE BANK
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Foreign Investment in Australia -													
Use of IMF credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Other	18	-8	—	-11	1	3	-36	64	-18	-10	—	-6	-4
Total foreign investment in Australia	18	-8	—	-11	1	3	-36	64	-18	-10	—	-6	-4
Australian investment abroad -													
<i>Reserve assets -</i>													
<i>Official reserve assets -</i>													
Monetary gold	—	—	—	—	—	—	—	—	—	—	—	—	—
SDRs	-4	20	18	6	5	5	5	6	—	7	8	8	6
Reserve position in IMF	—	—	-96	—	—	—	—	-26	14	-84	9	—	—
Foreign exchange	-3,390	-3,944	-795	3,574	-1,082	-4,576	-763	-390	236	122	-689	-432	816
<i>Total</i>	<i>-3,394</i>	<i>-3,924</i>	<i>-873</i>	<i>3,580</i>	<i>-1,077</i>	<i>-4,571</i>	<i>-758</i>	<i>-410</i>	<i>250</i>	<i>45</i>	<i>-672</i>	<i>-424</i>	<i>822</i>
Allocation of SDRs	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Total reserve assets</i>	<i>-3,394</i>	<i>-3,924</i>	<i>-873</i>	<i>3,580</i>	<i>-1,077</i>	<i>-4,571</i>	<i>-758</i>	<i>-410</i>	<i>250</i>	<i>45</i>	<i>-672</i>	<i>-424</i>	<i>822</i>
<i>Other</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
Total Australian investment abroad	-3,394	-3,924	-873	3,580	-1,077	-4,571	-758	-410	250	45	-672	-424	822
Total Reserve Bank	-3,376	-3,932	-873	3,569	-1,076	-4,568	-794	-346	232	35	-672	-430	818

TABLE 19. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF THE NON-OFFICIAL SECTOR
(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Foreign investment in Australia -													
<i>Direct investment -</i>													
Reinvestment of earnings	1,244	2,417	2,225	604	604	604	557	556	556	556	672	672	672
Corporate equities	1,948	1,024	3,539	133	638	260	1,238	577	1,126	598	119	695	820
Net equity in branches	381	1,440	2,307	156	153	371	514	290	637	866	114	261	219
Borrowing	1,470	2,059	2,425	252	-70	1,292	1,087	913	-294	719	804	780	1,007
Other	-289	59	87	180	-398	104	31	-128	168	16	276	-9	-414
<i>Total direct investment</i>	<i>4,754</i>	<i>6,999</i>	<i>10,583</i>	<i>1,325</i>	<i>927</i>	<i>2,631</i>	<i>3,427</i>	<i>2,208</i>	<i>2,193</i>	<i>2,755</i>	<i>1,985</i>	<i>2,399</i>	<i>2,304</i>
<i>Portfolio and other investment -</i>													
Corporate equities	4,046	2,162	1,443	281	216	-195	-3	353	229	864	60	53	741
Borrowing -													
Public sector	279	3,790	4,703	-122	1,768	1,658	1,115	625	2,228	735	648	810	1,407
Private sector	6,673	8,056	8,626	3,671	-858	3,576	2,755	573	4,054	1,244	2,964	1,960	2,422
Total	6,952	11,846	13,329	3,549	910	5,234	3,870	1,198	6,282	1,979	3,612	2,770	3,829
Accounts payable/prepayments received -													
Public sector	-152	-627	-20	15	-20	-9	5	-6	-15	-4	-1	4	-13
Private sector	345	661	319	258	-88	229	178	148	-131	124	-11	-27	-370
Total	193	34	299	273	-108	220	183	142	-146	120	-12	-23	-383
<i>Total portfolio and other investment</i>	<i>11,191</i>	<i>14,042</i>	<i>15,071</i>	<i>4,103</i>	<i>1,018</i>	<i>5,259</i>	<i>4,050</i>	<i>1,693</i>	<i>6,365</i>	<i>2,963</i>	<i>3,660</i>	<i>2,800</i>	<i>4,187</i>
Total foreign investment in Australia	15,945	21,041	25,654	5,428	1,945	7,890	7,477	3,901	8,558	5,718	5,645	5,199	6,491
Australian investment abroad -													
<i>Direct investment -</i>													
Reinvestment of earnings	-1,178	-2,162	-2,123	-541	-540	-541	-531	-530	-531	-531	-675	-675	-675
Corporate equities	-3,355	-7,629	-3,247	-3,514	-1,644	-1,537	-511	-1,862	-358	-516	-1,113	-803	-1,943
Net equity in branches	-428	-143	-261	-116	-5	38	81	-185	-77	-80	17	60	12
Lending	552	-760	-893	-530	401	-147	-412	615	-375	-721	29	1,646	-1,075
Other	-122	-80	-27	30	-61	-53	-2	97	-128	6	-96	-22	296
<i>Total direct investment</i>	<i>-4,531</i>	<i>-10,774</i>	<i>-6,551</i>	<i>-4,671</i>	<i>-1,849</i>	<i>-2,240</i>	<i>-1,375</i>	<i>-1,865</i>	<i>-1,469</i>	<i>-1,842</i>	<i>-1,838</i>	<i>206</i>	<i>-3,385</i>
<i>Portfolio and other investment -</i>													
Corporate equities	-3,233	445	-2,930	1,693	-397	-267	-700	-47	-1,305	-878	680	-1,080	1,882
Lending -													
Banks	-1,343	-227	-732	270	-74	-172	412	-506	107	-745	417	171	-1,133
Non-bank enterprises	684	-1,569	231	-2,227	1,093	-47	-290	632	-148	37	-757	-389	-524
Total	-659	-1,796	-501	-1,957	1,019	-219	122	126	-41	-708	-340	-218	-1,657
Accounts receivable/prepayments made -													
Public sector	-10	-29	-588	-78	116	-67	-161	62	-207	-282	23	-113	-237
Private sector	-262	-562	-256	-452	-32	-33	-110	-90	-62	6	-117	105	-150
Total	-272	-591	-844	-530	84	-100	-271	-28	-269	-276	-94	-8	-387
<i>Total portfolio and other investment</i>	<i>-4,164</i>	<i>-1,942</i>	<i>-4,275</i>	<i>-794</i>	<i>706</i>	<i>-586</i>	<i>-849</i>	<i>51</i>	<i>-1,615</i>	<i>-1,862</i>	<i>246</i>	<i>-1,306</i>	<i>-162</i>
Total Australian investment abroad	-8,695	-12,716	-10,826	-5,465	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,592	-1,100	-3,547
Total non-official	7,250	8,325	14,828	-37	802	5,064	5,253	2,087	5,474	2,014	4,053	4,099	2,944

TABLE 20. NET BORROWING TRANSACTIONS OF THE NON-OFFICIAL SECTOR

(\$ million)

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Direct investment borrowing -													
<i>Domiciled abroad -</i>													
Drawings	43,331	33,943	36,619	7,807	4,407	10,684	15,381	9,298	4,796	7,144	38	5,536	5,454
Repayments	-42,345	-31,570	-34,147	-7,580	-4,561	-9,357	-14,259	-8,374	-5,114	-6,400	766	-4,756	-4,447
<i>Total</i>	<i>986</i>	<i>2,373</i>	<i>2,472</i>	<i>227</i>	<i>-154</i>	<i>1,327</i>	<i>1,122</i>	<i>924</i>	<i>-318</i>	<i>744</i>	<i>804</i>	<i>780</i>	<i>1,007</i>
<i>Domiciled in Australia</i>	<i>484</i>	<i>-314</i>	<i>-47</i>	<i>25</i>	<i>84</i>	<i>-35</i>	<i>-35</i>	<i>-11</i>	<i>24</i>	<i>-25</i>	<i>—</i>	<i>—</i>	<i>—</i>
Total direct investment borrowing	1,470	2,059	2,425	252	-70	1,292	1,087	913	-294	719	804	780	1,007
Other borrowing -													
<i>Domiciled abroad -</i>													
<i>Banks -</i>													
Drawings	24,547	28,848	44,367	6,838	6,617	10,200	11,814	7,781	11,505	13,267	12,963	14,309	27,350
Repayments	-20,198	-25,979	-37,157	-5,971	-8,076	-7,366	-10,593	-6,896	-8,183	-11,485	-11,734	-12,365	-26,024
<i>Total</i>	<i>4,349</i>	<i>2,869</i>	<i>7,210</i>	<i>867</i>	<i>-1,459</i>	<i>2,834</i>	<i>1,221</i>	<i>885</i>	<i>3,322</i>	<i>1,782</i>	<i>1,229</i>	<i>1,944</i>	<i>1,326</i>
<i>Non-bank enterprises -</i>													
Drawings	72,871	75,377	112,706	19,492	17,258	20,032	27,496	27,096	26,855	31,259	25,523	27,494	26,921
Repayments	-69,601	-68,518	-107,225	-16,731	-15,600	-18,698	-24,805	-26,208	-24,442	-31,770	-23,994	-27,669	-23,754
<i>Total</i>	<i>3,270</i>	<i>6,859</i>	<i>5,481</i>	<i>2,761</i>	<i>1,658</i>	<i>1,334</i>	<i>2,691</i>	<i>888</i>	<i>2,413</i>	<i>-511</i>	<i>1,529</i>	<i>-175</i>	<i>3,167</i>
<i>Total domiciled abroad</i>	<i>7,619</i>	<i>9,728</i>	<i>12,691</i>	<i>3,628</i>	<i>199</i>	<i>4,168</i>	<i>3,912</i>	<i>1,773</i>	<i>5,735</i>	<i>1,271</i>	<i>2,758</i>	<i>1,769</i>	<i>4,493</i>
<i>Domiciled in Australia -</i>													
<i>Banks -</i>													
Securities	-303	126	56	-11	116	6	111	-161	29	77	66	346	440
Deposits	-111	1,431	361	-18	79	1,032	-484	95	375	375	972	780	-785
<i>Total</i>	<i>-414</i>	<i>1,557</i>	<i>417</i>	<i>-29</i>	<i>195</i>	<i>1,038</i>	<i>-373</i>	<i>-66</i>	<i>404</i>	<i>452</i>	<i>1,038</i>	<i>1,126</i>	<i>-345</i>
<i>Non-bank enterprises</i>	<i>-253</i>	<i>561</i>	<i>221</i>	<i>-50</i>	<i>516</i>	<i>28</i>	<i>331</i>	<i>-509</i>	<i>143</i>	<i>256</i>	<i>-184</i>	<i>-125</i>	<i>-319</i>
<i>Total domiciled in Australia</i>	<i>-667</i>	<i>2,118</i>	<i>638</i>	<i>-79</i>	<i>711</i>	<i>1,066</i>	<i>-42</i>	<i>-575</i>	<i>547</i>	<i>708</i>	<i>854</i>	<i>1,001</i>	<i>-664</i>
<i>of which -</i>													
Public sector securities (a)	-376	1,006	-378	-91	924	51	609	-564	-508	85	-164	-162	297
Total other borrowing	6,952	11,846	13,329	3,549	910	5,234	3,870	1,198	6,282	1,979	3,612	2,770	3,829
Total borrowing (b)	8,422	13,905	15,754	3,801	840	6,526	4,957	2,111	5,988	2,698	4,416	3,550	4,836

(a) Excludes bank securities. (b) Corresponds to the sum of direct investment borrowing and total portfolio and other investment borrowing in Table 19.

TABLE 21. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

	Year			Quarters ended									
	1986-87	1987-88	1988-89	1987-88			1988-89			1989-90			
				Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.
Official reserve assets (\$ million) -													
<i>Levels at end of year/month</i>	17,594	20,182	20,410	17,430	17,331	20,182	20,628	19,772	19,509	20,410	20,774	21,487	21,065
<i>Changes in levels</i>	4,570	2,588	228	-2,127	-99	2,851	446	-856	-263	901	364	713	-422
<i>Of which -</i>													
Changes due to effects of revaluations	1,176	-1,336	-645	1,453	-1,176	-1,720	-312	-1,266	-13	946	-308	289	400
Changes included in the balance of payments (a)	3,394	3,924	873	-3,580	1,077	4,571	758	410	-250	-45	672	424	-822
Exchange rates -													
<i>Units of foreign currency per \$A -</i>													
<i>End of year/quarter (b) -</i>													
United States dollar	0.7203	0.7940	0.7553	0.7225	0.7388	0.7940	0.7829	0.8555	0.8194	0.7553	0.7764	0.7927	0.7542
United Kingdom pound	0.4494	0.4612	0.4882	0.3857	0.3934	0.4612	0.4647	0.4764	0.4855	0.4882	0.4788	0.4927	0.4584
West German mark	1.319	1.441	1.480	1.143	1.226	1.441	1.472	1.528	1.550	1.480	1.453	1.339	1.278
Japanese yen	105.79	105.17	108.79	88.22	92.04	105.17	105.28	107.71	108.64	108.79	108.23	113.61	118.79
Special drawing right	0.5634	0.6059	0.6051	0.5137	0.5350	0.6059	0.6067	0.6382	0.6332	0.6051	0.6109	0.5990	0.5803
<i>Period average (c) -</i>													
United States dollar	0.6636	0.7290	0.8160	0.7038	0.7196	0.7783	0.7994	0.8392	0.8475	0.7777	0.7638	0.7811	0.7659
United Kingdom pound	0.4352	0.4167	0.4755	0.4020	0.4004	0.4230	0.4713	0.4688	0.4844	0.4776	0.4786	0.4927	0.4626
West German mark	1.280	1.262	1.512	1.201	1.205	1.329	1.491	1.488	1.567	1.501	1.469	1.416	1.296
Japanese yen	101.37	97.58	106.95	95.53	92.05	97.83	106.90	105.04	108.76	107.09	108.71	111.77	113.27
Special drawing right	0.5345	0.5448	0.6244	0.5256	0.5255	0.5688	0.6163	0.6246	0.6439	0.6126	0.6065	0.6089	0.5821
Trade-weighted index of value of the Australian dollar (May 1970 = 100) -													
<i>End of year/quarter (b)</i>	56.6	59.8	59.4	52.0	53.8	59.8	60.0	63.2	62.2	59.4	59.8	61.1	59.8
<i>Period average (c)</i>	53.8	54.8	61.6	53.0	53.0	57.0	60.9	62.0	63.4	60.0	59.5	60.5	59.5

(a) The entries carry the opposite sign to corresponding entries in Tables 1 and 4. (b) These exchange rates and index numbers relate to the last trading day of the reference period. (c) These exchange rates and index numbers are derived by averaging figures for each trading day.

EXPLANATORY NOTES

Introduction

1. This publication provides detailed estimates of Australia's balance of payments for the March quarter 1990 together with revised estimates for previous quarters and financial years. The estimates are consistent with those published on 28 May in *Balance of Payments, Australia, April 1990* (5301.0). They are also consistent with *Foreign Investment, Australia, March Quarter 1990, Preliminary* (5307.0). Longer term estimates, from September quarter 1959, consistent with those shown in this issue, will shortly be made available on request for a charge.

2. Tables 1 to 4 in this publication provide summary statistics; they show the main aggregates and the more important components of the aggregates. The remaining tables, Tables 5 to 21, provide additional breakdowns, related series (e.g. exchange rates and the trade-weighted index) and reconciliations of selected balance of payments series with other series (i.e. with foreign trade statistics and levels of official reserve assets).

Concepts, sources and methods

3. Summary descriptions of the underlying concepts and structure of the balance of payments and the sources and methods used in compiling the estimates are presented in *Balance of Payments, Australia: Summary of Concepts, Sources and Methods* (5351.0). The publication also provides item definitions and explanations of seasonal adjustment, constant price estimates, implicit price deflators and the terms of trade.

Commodity breakdowns of merchandise

4. Commodity breakdowns of merchandise exports and imports are provided in Table 7 (at current prices), 8 (at average 1984-85 prices), 9 (at current prices, seasonally adjusted) and 10 (at average 1984-85 prices, seasonally adjusted). The groupings shown are based on the third revision of the United Nations Standard International Trade Classification (SITC rev 3) as follows:

<i>Exports</i>	<i>SITC rev 3 Section or Division</i>
Rural -	
Meat & meat preparations	01
Cereal grains and cereal preparations	04
Sugar, sugar preparations & honey	06
Wool and sheepskins	21(part),26(part)
Other rural	00,02,03,05,07 to 09, 12,21(part),22 to 25, 26(part),29,4
Non-rural -	
Metal ores & minerals	27,28
Mineral fuels -	
Coal, coke and briquettes	32
Other mineral fuels	33 to 35

<i>Exports (cont.)</i>	<i>SITC rev 3 Section or Division</i>
------------------------	-------------------------------------------

Metals -

Gold	97
Other metals	67,68
Machinery	71 to 77
Transport equipment	78,79
Manufactures nec	5,61 to 66,69,8
Other non-rural	11,91 to 96

Imports

Food, beverages & tobacco	0,1
Fuels	3
Chemicals (incl. plastics)	5
Textiles, fabrics etc	65
Metals and metal manufactures	67 to 69
Machinery	71 to 77
Transport equipment	78,79
Manufactures nec	61 to 64,66,8
Other imports	2,4,9

Seasonal adjustment

5. Most of the current account series in this publication are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation. However, seasonally adjusted statistics in this publication should not be regarded as in any way definitive as results from seasonal adjustment vary according to the method used.

6. The factors used in compiling seasonally adjusted estimates for certain series (principally components of merchandise trade and investment income) up to and including December quarter 1990 can be obtained, for a charge, from Mr Zia Abbasi on Canberra (06) 252 6689.

Accuracy and reliability of estimates

7. Because the transactions recorded in the balance of payments are of many different kinds, compilation of balance of payments estimates entails the use of a very wide range of statistical data of varying degrees of accuracy and timeliness.

8. Therefore care should be exercised in the use and interpretation of estimates in this publication. The latest estimates are *preliminary and subject to revision* as more accurate data come to hand. Also, the more detailed estimates may be less accurate in relative terms than broader items and aggregates of which they form components.

Investment income and capital transactions

9. Additional information about capital account and investment income transactions is available in the quarterly publications *Foreign Investment, Australia* (5306.0) and *Foreign Investment, Australia, Preliminary* (5307.0) and in the annual publication *Foreign Investment, Australia* (5305.0). Statistics in foreign investment publications are consistent with those in balance of payments publications. Foreign investment publications also provide comprehensive statistics on the level of foreign investment in Australia, the level of Australian investment abroad and Australia's external debt.

Transportation transactions

10. The quarterly publication *International Transportation Services, Australia* (5350.0) has been discontinued. However the, additional information on freight and other transportation transactions is now available on request for a charge from Mr. John Rattur on (06) 252 5733.

Comparability with capital expenditure statistics

11. Tables 7 and 9 in this publication contain current price estimates of *imports of endogenous capital goods*. Shorter-term movements in this series can differ quite significantly from the corresponding movements in the *new private capital expenditure on equipment, plant and machinery* series published in *Private New Capital Expenditure, Australia* (5625.0 and 5626.0). The main reasons for the differences are:

- The imports series includes all goods defined as endogenous capital goods, whereas the capital expenditure series relates only to goods classified as equipment, plant and machinery that are acquired by private enterprises in selected industries.
- The capital expenditure series includes all plant, machinery and equipment, irrespective of whether it has been imported or manufactured in Australia.
- Imports are valued f.o.b. at the point of export whereas estimates of capital expenditure are measured at domestic market prices, including international transport margins, government duties and domestic trade and transport margins.

12. Accordingly, while movements in imports of endogenous capital goods can provide a broad indication of movements in the *import component* of new private capital expenditure on equipment, plant and machinery, they do not necessarily provide an accurate indication of movements in total new private capital expenditure on these goods.

Series available on request

13. Detailed quarterly export and import series at constant (average 1984-85) prices can be obtained by contacting Mr Stephen Waugh on Canberra (06) 252 6716. These series are based on foreign trade statistics (ie they are not adjusted to a balance of payments basis) and relate to selected divisions and sections of the SITC rev 3. Quarterly tables showing components of services can also be obtained from Mr Waugh. These tables provide original and seasonally adjusted current and constant price estimates, corresponding to the series shown (in original current price terms) in Tables 12 and 13 of this publication. Both sets of estimates are working estimates only and may not always be completely consistent with published estimates.

Related publications

14. Other ABS publications which may be of interest include:

- Balance of Payments Australia* (5301.0) - issued monthly
- Balance of Payments, Australia* (5303.0) - issued annually
- Balance of Payments, Australia: Summary of Concepts, Sources and Methods* (5351.0) - published 9 September 1988.

Information paper - Seasonally Adjustment of Australia's Monthly Balance of Payments Statistics (5359.0).

Exports, Australia: Monthly Summary Tables (5432.0) - issued monthly

Imports, Australia: Monthly Summary Tables (5433.0) - issued monthly

Export Price Index, Australia (6405.0) - issued monthly

Import Price Index, Australia (6414.0) - issued quarterly

Foreign Investment, Australia 1987-88 (5305.0)

Foreign Investment, Australia (Preliminary) (5307.0) - issued quarterly

Foreign Investment, Australia (5306.0) - issued quarterly

15. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Symbols and other usages

f.o.b.	free on board
n.a.	not available
n.y.a.	not yet available
n.e.c.	not elsewhere classified
n.e.i.	not elsewhere included
-	nil or rounded to zero
..	not applicable.

16. Where figures have been rounded, discrepancies may occur between the sums of component items and totals.

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- text and tables for main economic indicator publications. Further information is available on (06) 252 5405.

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Selected ABS statistics are available on floppy disk. Further information is available on (06) 252 6684.

**SPECIAL ARTICLES IN RECENT BALANCE OF PAYMENTS AND
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<i>Article</i>	<i>Publication (ABS Catalogue no)</i>	<i>Issue</i>	<i>Page reference</i>
Treatment of insurance services in the balance of payments	5302.0	Dec qtr 1989	8-11
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New publication: international trade in services statistics	5302.0	Sept qtr 1989	9-10
Quarterly survey of international travel enterprises	5302.0	Sept qtr 1989	10-11
Measurement of foreign investment in Australian real estate in foreign investment statistics	5306.0	Sept qtr 1989	8-10
Survey of international travel enterprises - results for 1987-88	5302.0	June qtr 1989	13
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The puzzle of a global balance of payments discrepancy	5302.0	June qtr 1987	14-16
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